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Making work more human: industrial society's new task

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PEOPLE

New CMA head

J. Hugh Stevens, newly-elected president of the Canadian Manufacturers' Association, sees restoring the ability to compete as the top priority for Canadian manufacturers. Stevens, chairman of the board, president and chief executive officer of Canada Wire and Cable Company, was elected to succeed retiring president, Rod Bilodeau, at the CMA's annual general meeting, in Montreal, June 5-6.

In his acceptance speech, Stevens noted four areas in which the CMA should devote much of its efforts in the months ahead: working toward mechanisms and policies "to ensure that Canada avoids a new surge of inflation when controls are removed;" restoring a "sense of reality" about what the economy can really produce; overcoming the "lingering illusion" that Canadian society can extract from the economy more than it contributes; and developing new guidelines to determine income in the public sector.

Stevens was born in India and holds a master's degree in engineering physics from Cambridge University. He joined Canada Wire and Cable in 1948 and was appointed vice-president in 1959, president in 1966, chief executive officer in 1970 and chairman of the board in 1974. He holds directorates in several Canadian companies and in the affiliated companies of Canada Wire, including those in Latin America.

THE ECONOMY

Gloomy forecast

Projections prepared by the Ontario Economic Council suggest an unemployment rate above 7 per cent in the province throughout the 1980s and an annual inflation rate above 3.9 per cent. The projections appear in background papers prepared for the Council's April 25 Outlook and Issues conference, in Toronto. On average, the population is expected to grow older, and the Council speculates that this will mean a more conservative society with increased opposition to public-sector growth.

EARNINGS

First-quarter increases

Major collectively bargained settlements produced average annual base-rate increases of 8.6 per cent in the first quarter of 1977, up slightly from 8.2 per cent in the fourth quarter of 1976. The federal labour department figures are based on an analysis of agreements covering 500 or more workers in both federal and provincial jurisdictions.

The average increase in the 77 one-year agreements reached in the first quarter of 1977 was 8.6 per cent; in the 30 two-year agreements it was 9.8 per cent in the first year and 8.3 per cent in the second; and in the eight three-year agreements the successive annual increases were 7.2 per cent, 5.1 per cent and 4.4 per cent. Cost of living allowances were provided for in 29 of the agreements having an average annual base-rate increase of 8.0 per cent excluding the effect of the COLA clause.

During the 12-month period ending with the first quarter of 1977, the average annual increase was 9.5 per cent, compared with 16.1 per cent in the previous 12-month period.

The department's statistics take into account the effects of rulings by the Anti-Inflation Board and subsequent ratification by the bargaining parties.

Public vs. private sector

Contrary to much publicly held opinion, salary increases in the federal public service were lower than in the private sector during the 1968-76 period. However, increases in the municipal and

provincial sectors were higher than in the private sector. Labour Canada statistics for base rates of bargaining units of 500 workers or more show an increase of 123 per cent for public and private sectors combined. The private sector increase was 120 per cent, compared with public sector increases of 132 per cent for municipal employees, 129 per cent for provincial employees and 113 per cent for federal public servants.

EMPLOYMENT

Education offers some protection

An estimated 197,700 young people will cease full-time study in Ontario and enter the labour market during 1977, according to a Statistics Canada study. That annual number is expected to increase to nearly 214,000 by 1981 before it starts to decline, according to the report entitled *Future Trends in Enrolment and Manpower Supply in Ontario.* While the flood of graduates is expected to aggravate youth unemployment, the study indicates that education still provides some protection in the labour market. Between 1972 and 1975, for the 14-24 age group as a whole unemployment was 9.3 per cent, but it was 12.4 per cent for those who had only completed elementary school, 6.4 per cent for high school graduates and 5.3 per cent for those who had completed post-secondary programs.

Jobs for professionals decrease

Job openings for accountants, engineers and other professionals decreased by 6.25 per cent during the first quarter of 1977, after a 3-per-cent increase in the last quarter of 1976, according to the Technical Service Council. The personnel consulting and placement service conducts quarterly surveys of job vacancies in 1,500 industries, mines, construction firms and consultants, but excluding governments and institutions. Vacancies are expected to continue at about the same level, with a slight increase toward the end of the year, the council says. It also finds employment opportunities are better in remote areas because many candidates are unwilling to move geographically.

The Council notes good employment prospects in some specializations including junior and intermediate mechanical sales engineers, experienced petroleum and plant engineers, accountants, computer programmers and systems analysts.

Among new university graduates, job prospects appear best for commerce, business and engineering graduates and poor for general science and general arts graduates and for "most kinds of PhDs," the council adds.

WORK STOPPAGES

First quarter

During the first three months of 1977 direct time lost from work stoppages and lockouts amounted to 599,380 man-days. In relation to total estimated working time of non-agricultural workers, this represents approximately 11 man-days per 10,000 man-days worked. The comparable figure for the same period last year was 1,819,700 man-days.

COLLECTIVE BARGAINING

Profs. to set up strike fund

Leaders of 20,000 Canadian university teachers have decided to set up a strike fund. The board of the Canadian Association of University Teachers, at a meeting in Ottawa, voted for the fund in principle, although details have yet to be approved. Teachers on individual campuses would decide whether to join the strike fund.

Job choice

The assumption that people choose occupations that are consistent with their values and personalities draws new support from a survey of 1,200 male college freshmen by John C. Smart of Virginia Polytechnic Institute. Dr. Smart found that the way students rated job characteristics was consistent with their personality type, according to the categories developed by J.L. Holland — realistic, investigative, social, enterprising, conventional and artistic. For example, conventional and enterprising students were more responsive to materialistic incentives in rating occupations, while artistic students preferred working with ideas, and social types liked working with people. Smart suggests that career counsellors would do well to advise students to choose academic programs and occupations consistent with their personality dominance.

EEC directive on dismissal

The European Economic Community has adopted a direc-

tive that establishes the principle of automatic transfer of employees' rights in the event of merger, takeover or similar transfer of employer. The directive prohibits dismissal solely on the grounds that transfer has taken place. But its effect is somewhat mitigated by a provision that dismissals may take place for "economic, technical or organization reasons entailing changes in the work force." The directive also provides for the establishment of a procedure for informing employees and consultation with them before such transfers do occur. The directive is to come into force in all the EEC states by March 1979.

Does skill pay?

A British study has found a decrease in the wage differentials between skilled and unskilled workers. It also disclosed that skilled tradesmen have less job security and status than they had two decades ago.

Manpower Services Commission and the National Economic Development Council released the results of the survey in January. It shows, for example, that the take-home wage of a skilled engineering worker, married and with two children under 11, was only 23 per cent above that of a labourer in 1975, compared with 32 per cent in 1963.

This is seen as one reason that the annual intake into apprenticeship programs has declined — from 18,600 in the mid-1960s to an expected 10,500 by the late 1970s.

A survey of 1,038 former employees of 22 firms found that 37 per cent of them left because they had been made redundant and 28 per cent because of poor prospects.

About 21 per cent were at jobs requiring other engineering skills than the one they had learned, 20.3 per cent were unemployed, 13 per cent were in semi-skilled manufacturing jobs and 4.2 per cent were in police or security forces.

Others were working as milkmen, bus conductors, postmen, gravediggers, window cleaners and one was the manager of a bingo hall. In replies many complained about the boredom, lack of freedom and "petty regulations" of their former employment.

HEALTH AND SAFETY

Hazards of night work

A study, soon to be released by the International Labour Organization, finds night work harmful to both health and social life, and recommends that it be kept to a minimum. *"Night Work: its effects on the health and life of the worker,"* was prepared by two ILO staff members, James Carpentier and Pierre Cazamian, who looked into the "physiological, psychological, medical, family and social implications" of night work.

They say night work hurts physical and mental health because human behaviour follows a 24-hour cycle and involves "an active phase" during the day and an "inactive" phase during the night. "Working at night and sleeping during the day upsets this natural rhythm," they find. "It requires a greater effort to work at night when all the bodily processes slow down.

"Sleep during the daytime does not have the same restorative properties, and research findings have indicated that, on average, night-shift workers sleep an hour-and-a-half less. Not only are the hours of sleep fewer by day, but they are often of insufficient depth, with the result that the sleeper feels groggy when he wakes up. They are also punctuated by awakenings due to pangs of hunger.

"Night work, therefore, by obliging a worker to work during his inactive phase and sleep when he should be active, exposes him to stress in two ways and subjects him to additional fatigue — he becomes over-tired." That over-tiredness, and the difficulties in sleeping associated with it, give rise to nervous disorders: "The 'night worker's neurosis' is recognized as the type of neurosis which may lead to a nervous breakdown."

Eating patterns also are disturbed by night work: "Eating at night, when one's digestive processes are sluggish, can cause various digestive disorders." Some night workers have to take pills to stay awake at night and more pills to sleep during the daytime — "which can only make matters worse."

Night work is hardest on employees over 45 years old, most of whom "have serious difficulty in sleeping and digesting their food properly." It is also hard on women workers who try to do their housework in the morning and sleep only in the afternoon.

Night work also upsets workers' "mental balance" by disrupting leisure time activities: "The hours they have to keep bar them from a normal social life and deny them access to sports and cultural, trade union and political activities. They feel isolated socially and tend to devote their spare time to solitary pursuits or succumb to the temptation to take a second paid job."

The researchers also note that the

financial advantages of night work, because of shift premiums, "may trap the worker by rapidly becoming an indispensable part of the family budget."

They not only call for a substantial reduction of night work but also, where it is necessary, a substantial reduction in the working hours of people on night shifts. "There appears to be no way of organizing the work that can counteract the harmful effects of night work, at least at the present time," they conclude.

At the present time, the researchers estimate, at least one worker in 10 in the industrialized countries has to work at night. They say that is a minimum figure and does not include night workers in the public service and health services such as hospitals and police forces. They estimate that shift workers make up 25 per cent of the labour force in Canada.

WORKING TIME

Reduced emphasis on vacations?

While employees have been receiving increasing vacation time in recent years, that trend may slow down in future because of demographic and labour force factors, suggests a recent article in the periodical *IR Research Reports*.

"As a result of the rapid expansion in the labour force since the early 1960s, Canada's labour force is a young one," the article observes. "That has made it relatively easy for employers to grant longer vacations, pre-retirement supplements, etc., to long-service workers and relatively costly to give significant increases to recently-hired workers. As growth in the labour force slows, however, and as the average age of the work force rises, vacations for long-service workers will become more costly. Some change in emphasis, therefore, might be expected."

That conclusion, however, assumes that there will be no major change in either government policy on vacation entitlement or union preferences "as between income and leisure — and as between different kinds of leisure."

Unions have shown greater interest in "increased blocks of time" than in shorter weekly working hours during the postwar period, but the article notes that this preference could change: "The Autoworkers and Steelworkers recently have indicated that their objective is a four-day, 32-hour week — and the Autoworkers are well on the way to it. If this were to become a general trade union goal, it would suggest a reduced emphasis on vacation improvements."

The article also says governments historically have not had much of an impact on labour standards, "generally just giving official recognition to what was already prevailing practice." But much may depend on whether they continue to interpret their role in the same way. "If they were to use a different concept of prevailing practice, or if they were to attempt to keep up with the level in the highest-standard jurisdiction, legislation could have a greater impact than it has had and could also have some indirect impact by creating pressure to restore differentials that had been narrowed by law," it comments.

It also notes that paid vacations are the most costly employee benefit, "representing, on average, 6 per cent of payroll: That figure has shown an upward trend throughout the postwar period, reflecting the steady improvement in paid vacation provisions." A decade ago, fewer than one in five non-office employees was in an establishment that provided a five-week maximum, while six-week vacations were almost unknown. Today, four of five employees are potentially eligible for five weeks of vacation and about 30 per cent of the workforce is employed in establishments that provide six weeks.

There has also been a reduction in the length of service required for longer vacations. "In 1967, most employees had to have 10 years of service or more before they were entitled to a three-week vacation and 20 or more years to be eligible for four weeks. Where a five-week vacation was provided, generally it came after 30 years of service. Today, most employees receive three weeks of vacation after five years' service or less and four weeks after 13 years or less. Those eligible for five-week vacations generally receive these after 24 years' service or less." The article notes, however, that there are pronounced "industry and regional variations."

Four-day week for QPF

Most of the 4,200 members of the Quebec provincial police force have begun working a modified four-day week. Under an agreement worked out with the Quebec Provincial Policemen's Brotherhood, the policemen will work 21 nine-hour days and have 14 days off over a 35-day cycle. Since the total annual work hours remain unchanged at 2,080, the policemen had to give up some paid holidays and accept shorter annual vacations.

Here's a typical police patrolman's schedule under the new system: seven nights on, six days off, four evenings on, two days off, three days on, two days off, three evenings on, two days off, four days on, and two days off.

Other police forces, and their unions, are studying the schedule, which is to be in effect for three years.

LABOUR RELATIONS

Conciliators wasting time?

A Queen's University study finds Ontario's conciliation system so outmoded that the government "is wasting valuable manpower when it dispatches conciliators around the province." In an analysis of government statistics for two fiscal years — 1973-74 and 1974-75 — G. Gordon Simmons, a professor of labour law at Queen's, concluded that provincial conciliation officers were able to devote only about a day or a day and a half to each dispute, while mediators were available to the parties for a week. The conciliators achieved settlements in only 38 per cent of their cases whereas mediators reached agreements in 72.7 per cent of theirs, he reported.

Simmons says mediation's better record may result, in part, from the crisis atmosphere created by animminent strike or lockout, and also from the greater length of time mediators can devote to a dispute. But what is more important, he says, is that "the desire to achieve a settlement is lacking at the conciliation officer stage because there is no pressure or incentive to do so." He goes so far as to comment that notwithstanding anything a conciliator may do or fail to do, "the ultimate result will depend upon the parties' mutual desire to arrive at a settlement."

The study, published by Queen's Industrial Relations Centre under the title, *The Role of Mediation and Conciliation in the Collective Bargaining Process,* does not call for the elimination of conciliation but for changes in the process. He suggests that conciliators are effective in remote areas where mediation services are not so readily available. He also says they may be useful in first and perhaps even second rounds of negotiations.

Conciliation boards were used extensively in Ontario in the 1940s and 1950s but fell into disfavour in the 1960s. Simmons offers two reasons: first, the conciliation officer stage became merely a "conduit" to get to the board so that the parties could get into a position to strike or lock out; secondly, there were lengthy delays in holding hearings, due partly to the involvement of three people on each board. Nevertheless, he argues, the boards had certain benefits. Their somewhat formal hearings required the parties to prepare briefs and thus seriously evaluate their respective positions, "which is not a necessary ingredient when negotiations are at the conciliation stage." And the formal report issued by the board usually carried significant weight with the parties, he notes.

"I do not suggest that conciliation boards become commonplace, but that they be used sparingly," Simmons recommends. "It may even be possible to use the conciliation board format but with one person acting instead of three. This would have the advantage of eliminating delays while requiring the preparation of briefs and formality in their presentation."

AGE

Survey of the literature

A survey of 20 studies indicates that the physical demands of most jobs are well below the capacities of most normal aging workers, and that properly placed older workers function effectively and have greater stability on the job, fewer accidents and less time lost from work than younger employees.

The survey was conducted by the editorial staff of *Industrial Gerontology,* quarterly journal of the U.S. National Council on the Aging, who also found that older workers are generally more satisfied with their jobs than younger ones.

It also suggests that employers should not judge workers in terms of their chronological age, but should "examine functional ability on the job by testing what a worker could actually do."

Older workers also are "generally able to continue heavy work," but some had difficulty coping with "the time-stress which results from a combination of heavy work and continuous effort to maintain a high rate of productivity. In other words, if the pressure to produce is lowered, older workers will continue to perform well. This factor also has important implications for training programs."

The authors, Elizabeth L. Meier and Elizabeth A. Kerr, also found support in the studies for their contention that "a good many workers are able to function effectively even after the 'normal' retirement age of 65."

RETIREMENT

Gradual retirement in Sweden

A pension program that allows employees to retire gradually with little loss of earnings has gone into effect in Sweden. Workers aged 60 and over are able to reduce their work week to as little as 17 hours while receiving an income amounting to between 85 and 90 per cent of their regular pay. The income is made up of wages and pension supplements funded by a tax on employers. Workers have the option of remaining in the labour force until age 70.

The Miner's Voice, a monthly Canadian publication of the United Steelworkers of America, quotes a Swedish government spokesman as saying the extent of the scheme is largely social: "Doctors warned us that we must not chop people off suddenly from working life, and the unions were strong champions for giving people a chance to adjust."

WORK SATISFACTION

Related to family and community

An employee's satisfaction with his job, his community and his family are closely related, according to a U.S. study published in the *Australian Journal of Social Issues.* The study also found that an employee who feels good about his work is also likely to feel good about his immediate superior and his fellow workers.

"It would seem that personal growth and occupational growth are highly correlated," concluded Peter O. Peretti, a professor of psychology at Kennedy-King College, Chicago, after his experiment with 54 employees of four organizations — a casualty insurance company, a private college and two large manufacturing concerns.

Peretti used a broad cross-section of workers as to age, sex, marital status, job status, years of formal education and length of service with the organization. He had them complete questionnaires dealing with three classes of questions — general job satisfaction, satisfaction with regard to the community in which they lived; and family-and-home satisfaction. They were asked to rate, on a four-point scale, their level of satisfaction or dissatisfaction with each of the factors listed.

Peretti found a remarkedly high correlation of 0.9973 between general job satisfaction and satisfaction with family-and-home, and similarly high correlations between job satisfaction and community satisfaction (0.99), and between community satisfaction and family-and-home satisfaction (0.9958).

Other notable findings:

- "a general dissatisfaction with pay, no matter what one's earnings might be;"

- "many employees, while being very satisfied with their positions at present, are very dissatisfied with the possible future opportunities available to them."

The job-satisfaction questions concerned utilization of potential skills and abilities; pressure to meet work deadlines or quotas; work required as compared to fellow employees; how well the immediate manager is doing his job; earnings; long-term chances of moving into a managerial position; quality of relationship with fellow workers; presence of incompetent work associates; work atmosphere (environment, machines, and so on); "your manager — whether he is more concerned with how a job looks to his supervisors than with the quality of your work."

Community-satisfaction factors included: school facilities; availability of housing; shopping facilities; cost of housing; location of community; attractiveness of community; children's recreational facilities; and "the culture in which you are now living."

Family-and-home satisfaction variables included: size of home in relation to size of family; number of close friends; closeness of family; number of friends common to all family members; marital or dating relationship; discipline in family; involvement with religion or church; personal independence (or dependence).

Deadlines dull satisfaction

Research psychologists at Stanford University have demonstrated that a deadline can make a normally enjoyable task less interesting. They set 40 college students to work at a crossword puzzle game called Ad Lib which, previous tests showed, they had found interesting. Some were given implicit or explicit deadlines while others were not. Questionnaires completed after the game indicated that the students who had no deadlines enjoyed the game more and were more willing to participate in future experiments. There was no difference in the quality of performance, but those given deadlines worked

faster than the others. Psychologists Teresa M. Amabile, William De Jong and Mark R. Lepper reported the results to the Western Psychological Association convention in Los Angeles.

THE WORKPLACE

Factory humour

A United States researcher contends that joking in the work place is not random behaviour but occurs in definite patterns. A field study of factory humour by Joseph Alan Ullian, a doctoral student in communications at the University of Illinois at Urbana, found that joking frequently occurs as a response to unusual news about factory routines. The person who brought the news was usually the butt of the joke, which was made by the worker to whom the new information was most relevant. Ullian describes as "impressionistic in approach" prior research that indicated on-the-job joking is used to relieve tension, reduce boredom or discover potential sexual partners. And he says new data should be collected and studied in a more objective way, since it appears that joking may be significant in explaining "how employees deal with novel situations and how social organizations remain stable in the face of these changes."

JOB TURNOVER

Loyalty not a prime factor

The lower turnover rate of Japanese workers compared with their American counterparts, is not the result of greater loyalty and commitment to the company. So say researchers Robert Marsh and Hiroshi Mannari in a study published in a recent issue of *Administrative Science Quarterly.* Their findings contradict earlier studies in which researchers identified Japanese loyalty and commitment as a distinct factor contributing to a low rate of job turnover. Marsh and Mannari's findings are based on a four-year investigation, beginning in 1969, of 1,200 employees of Japan Electric Appliance Manufacturing Company (fictitious name).

After recording the employees' work history prior to their employment with Electric Company, which previous investigations neglected to do, employees were asked to complete a questionnaire designed to measure lifetime commitment norms and values. On the basis of the answers given, index scores on lifetime commitment were assigned to each employee. High scores identified those employees who intended to remain with the company, perceived other employees as also intending to remain until retirement, believed employees should stay in one organization, and regarded with disapproval ("un-Japanese," disloyal, or opportunistic) an employee who voluntarily changed organizations.

Four years later, in 1973, a list was obtained of employees who had voluntarily left the company and compared to the index of lifetime commitment. According to Marsh and Mannari, lifetime commitment norms and values exerted no significant effect on turnover. As well, none of the status enhancement variables considered important for turnover in Japan and in North America had any significant independent effect on turnover from 1969 to 1973. The study showed that the best predictor of turnover was sex, women having a much higher turnover rate than men. According to the two researchers, "Knowing that an employee is a woman is more useful predictively than knowing an employee's level of support for lifetime commitment values."

ABSENTEEISM

Dissatisfaction not major cause

Research by three Welsh psychologists has produced results that are in direct conflict with the view that job dissatisfaction is a major cause of absenteeism in industry. Nigel Nicholson, Colin A. Brown and J.K. Chadwick-Jones of University College, Wales, gave job-satisfaction questionnaires to 1,200 male and female workers in 16 organizations. In the great majority of responses, they found no significant connection between missing work and disliking the job, regardless of the industry or technology involved. No particular type of absence proved more closely tied to worker attitudes than another. Job absence had a variety of causes including group norms, supervisory practices and the employees' personal characteristics. Some workers may hate their jobs but never miss a day of work, they found.

They said that to blame absenteeism on job dissatisfaction was "narrow, naive and empirically unsupportable." Their own review of 29 studies purporting to show such a relationship found a profusion of inconsistent methods and results.

UNIONS

OLRB sets precedent

Prisoners who work in a slaughterhouse and meat packing plant as part of their rehabilitation program now are members of a bargaining unit certified in a precedent-setting decision by the Ontario Labour Relations Board. The board granted certification to the Canadian Food and Allied Workers as bargaining agent for a unit of 78 employees of Guelph Beef Centre which includes 43 inmates of the Guelph correctional centre. The private firm is located on the correctional centre's premises.

The board, in its decision, said the application was not seeking recognition of inmates' rights to bargain with prison authorities or with the federal government. Instead, the application concerned "the entire production work force of a private meat packing firm without regard to the status of individual workers while outside the plant...the union is seeking only to represent these people in their relationship with their employer."

Steelworkers' policy conference

Collective bargaining, economic policies and industrial safety were the principal concerns expressed by the 360 delegates to the 1977 Canadian policy conference of the United Steelworkers of America, in Winnipeg, May 4-6. The delegates represented about 195,500 members in 850 locals in plants, mines, mills and manufacturing operations in Canada.

The conference marked the retirement of William Mahoney, 60, after 21 years as national director, and

Doquier

the delegates paid tribute to Mahoney and his wife, Bernice, with gifts and several standing ovations. The newly-elected Canadian director, Gerard Docquier, took office June 1.

The delegates adopted a comprehensive economic policy statement urging a large-scale program of public investment to relieve unemployment, and an immediate end to wage controls. They also voted to give Quebec residents the right to "democratic self-determination of their political future," while pledging the union to work toward maintaining "the political union of the country." And Ed Broadbent, federal leader of the New Democratic Party, said full employment policies are the first step in building a truly united Canada. He found a "real and direct" connection between the rise of separatist sentiment in Quebec and the province's high unemployment.

The conference also adopted a policy statement on job safety enunciating three general principles that the union regards as essential for protecting its members: (1) the right to refuse dangerous work without fear of reprisals; (2) uniform, government-set standards for levels of exposure to hazardous conditions; (3) consolidation of responsibility for workers' safety in one government agency in each province and territory and in the federal government.

Joe Morris, president of the Canadian Labour Congress, said the federal wage controls program "exposed the Achilles heel" of labour — in Canada — its collective strength has never been harnessed behind a strong national centre. "If we do not reorganize and delegate power to the centre, the emerging economic and political forces will sweep this movement aside as each affiliate in turn finds itself powerless to deal with them," he said.

FEDERATIONS OF LABOUR CONVENTIONS

Alberta

Delegates to the Alberta Federation of Labour convention in Calgary, May 4-6, elected the federation's first full-time president and showed their opposition to a bill that would outlaw public service strikes by walking out when Neil Crawford, the provincial labour minister, rose to address them.

Harry Kostiuk, the federation's assistant executive secretary for the last five years, defeated Walter Doskoch of the Plumbers and Pipefitters Union 396 to 187 in the voting for the presidency, after a constitutional amendment was adopted providing for the new office. The president will serve for a two-year term, although all other officers will be elected for one year. Kostiuk replaced Reg Baskin,

a representative of the Oil, Chemical and Atomic Workers, who retired after five years as part-time president but who remains on the executive as a vice-president at large.

About 600 of the 700 delegates walked out on the labour minister to protest against the proposed Public Service Employee Relations Act, introduced in the legislature the previous week. The legislation would prohibit strikes by 30,000 employees of the provincial government and crown corporations, and provide fines of up to $10,000 for workers participating in an illegal walkout. The convention unanimously adopted a resolution demanding immediate withdrawal of the bill.

The provincial government also came in for strong criticism over the new Occupational Health and Safety Act, which some delegates described as showing an attitude of mere tokenism toward improving health and safety on work sites. They were particularly critical of a provision of the Act that gives the government the authority to designate which work sites will be required to have employee-management safety committees. A provincial commission, established in 1973 to study the issue, had recommended mandatory safety committees at work sites, except where the labour minister decided otherwise.

"The government has fallen short of its promise to implement the recommendations of the Gale Commission," commented Neil Reimer of the Oil, Chemical and Atomic Workers, who had sat on the commission. He drew applause from delegates when he said that if the situation did not improve, workers would have no recourse but to "recognize that work stoppages for safety reasons are legal at any time...We will shut down the plants ourselves, whether there is a contract or not." Discussion of occupational health and safety occupied most of the convention's second day, after a report to the convention showed that 125 workers had died in the 105,836 industrial accidents in the province in 1976, and that a total of 849,000 man-days were lost to accidents.

Prince Edward Island

Executive Vice-president Julien Major of the Canadian Labour Congress reiterated the CLC's demand for an immediate end to wage and price controls, in his address to the Prince Edward Island Federation of Labour convention, in Charlottetown, April 14-16.

Major also denied criticism that the CLC, in its request for a sharing of decision-making among unions, business and government, was seeking to infringe on functions of Parliament. The council for economic and social planning, proposed by the CLC, would preview draft legislation and review current practice, and propose amendments to both law and practice. In this, "the role of organized labour would be to ensure that the voice of the workers is effectively heard before a legislative, regulatory or policy decision is taken," he said.

The 125 Federation delegates unanimously endorsed a bill to amend the provincial Employment Standards Act, introduced into the legislature by the government, describing it as a vast improvement over existing legislation. In particular, their resolution welcomed provisions on guaranteed transportation home after midnight for young employees, five guaranteed paid holidays per year, guaranteed holiday pay for part-time employees, maternity leave of absence, equal pay for equal work, maximum hours of work and overtime pay, and effective enforcement of the Act.

P.E.I. Labour Minister George Henderson stressed the need for improved labour-management relations in his address to the delegates, and said many of the provisions in the labour standards bill were first proposed to the government in briefs from the Federation.

The delegates adopted a resolution urging the provincial government to get out of the anti-inflation program and to ask the federal government to end it immediately. Other resolutions: called upon the provincial government to examine the accounts of Maritime Electric company to determine whether past hydro rate increases were warranted; asked that companies involved in a legal strike not be allowed to hire people to perform work normally done by members of the bargaining unit; demanded provincial legislation to grant police, firefighters and hospital workers full collective bargaining rights, including the right to strike, and asked that the provincial medicare program cover hotel, meal and wage-loss costs of patients who have to go outside the province for medical treatment.

A resolution seeking reinstatement of the death penalty was referred back to committee for reconsideration. But the convention adopted a resolution demanding that the federal government review the present system of justice.

Jim Gyurus, a member of the Public Service Alliance of Canada, was re-elected for a third one-year term as president of the Federation, defeating Robert Crockett of the Canadian Union of Public Employees 62 votes to 58. lg

Compensation through intrinsic rewards

by Herman Smith

Compensation is still being defined as a means of attracting, retaining and stimulating employees. However, what has traditionally been regarded as compensation — pay, benefits, pensions, and so on — is becoming a smaller part of the total "reward mix" — a part that I shall refer to as "income compensation."

It is clear to me, as a recruiter, that income compensation is no longer able to fulfil the three functions of attracting, stimulating and retaining employees that it used to. It is intrinsic reward from meaningful work that will best fulfil those functions. I would like, therefore, to offer some observations to summarize what, in my opinion, is going on in this regard. Then I shall examine some alternatives and attempt to reach some conclusions.

We are seeing structural, temporal, demographic, organization and even fiscal changes in work groups.

• Structurally, personnel executives are moving more toward matrix management or the dual job description. Primary and secondary responsibilities blend a functional job with a task force position. It may or may not involve working with people of another organization.

• Work tenure is growing shorter. Increased job mobility, regardless of its initiation, is happening. Management has to be able to turn off the switch on a project and turn off people at the same time.

Herman Smith heads Herman Smith Management Resources Inc. of Toronto

Permanent employment structures are giving way to project employment structures. Companies are losing what we long thought of as loyalty, and so are employees, as we move toward honest marriages of enlightened self-interest. New management methods, such as Critical Path and Management By Objectives have forced us to budget time as well as dollars.

• The make-up of the work force is changing. Women have displaced the young and have altered our unemployment statistics. As we look back historically, married women were not regarded as being unemployed. Now many of them are employed, but it is the young who are not and they make up the statistics. Do you work in the public or private sector? A greater percentage of people are saying "who knows?" Increasing government involvement in corporate activities makes many of today's employees question whether profit, or public approval is what the shareholders want. Looking back a few years in North America, we realize that the "self-employed" are rare. Ninety per cent of people in North America work for bureaucracy in one form or another.

Income compensation is no longer able to fulfil the functions it used to

• Organizations are changing too. Traditionally an organization was a pyramid. The great numbers of administrative, professional and technical employees have made that pyramid more like a barrel. Horizontal work groups and "involvement" or horizontal communication have taken over from communication up and down the line. An organization has a number of appendages today. No longer are the auditors and solicitors the only hired guns. There are graphic design specialists, warehouse layout specialists, public affairs consultants and a myriad of specialists who complement the permanent organization, receiving their pay cheques through a third party, while acting as part time employees.

With these shifts in the nature of work, have come shifts in compensation:

• There has been such an aversion to cutting employees' pay or compensating them below our "cost of living" or "A.I.B." (Anti-Inflation Board) level, that people get fired, perhaps prematurely. (The public sector doesn't appear to either cut pay or lay off workers.)

• Since most if not all work for some form or other of bureaucracy, generous fringes are an assumption. They are viewed not as a reward, but as a right.

• Middle and upper managers are getting the short end of increases. Anyone can go at length and talk about the dangers of compression,

and this has been going on since King Herod's time. Nonetheless, the plumbers and engineers are getting very close. Popular jealousy of senior incomes overrides the return on achievement in the minds of our population. It has reached the point where Senator Proxmire in the United States has even suggested a ceiling on pre-tax earnings. Middle and upper management have enjoyed only a 6 per cent increase in spending power since 1967. Blue collars have had six times that increase.

Permanent employment structures are giving way to project employment structures

• From potential employer interviews of middle and senior management, I have learned in recruiting that options don't work; they take decades. Bonuses have lost favour due to a declining economy. Deferral of income is out. Immediate vesting of benefits is in. No one believes in promises anymore.

• As a system, pay for performance, I recently learned, is gone. In a recent computer study, a world-renowned compensation firm can account for 95 per cent of compensation dollars, regardless of organization performance. Further analysis of that last 5 per cent could find no relevance to corporate or divisional performance. Tenure by performance is gone too. People are being fired on a "last in, first out" basis.

• Then of course we have the "money is dead" group. We have learned we can't ignore bucks because they do organize priorities, but they are telling us that money is dead from a motivational standpoint. I feel it is still important for identity and responsibility, but not reward.

• Under the heading of compensation changes as well, we have to mention government again. The only real compensation an employee feels is the after-tax dollar. The pre-tax income is strictly social convention. Today the after-tax dollar has been invaded, in my opinion, particularly at the upper level, to the point where the government controls compensation more than the corporation.

All these factors have led to changes in attitudes on the part of the worker. Income is no longer a driving force. Futility arises from the realization that the "American Dream" is dead. There is no way to show an individual that peak performance can earn top dollar in a bureaucracy so the individual turns to the quality of his work life as a new means of reward.

To know what a person reads is to know the person. A visit to any book store will show quickly the demise of *The Man in the Grey Flannel Suit* and *Cash McCall.* In their place you'll find ten books on stress, ten books on fitness, guides to astrology, Eastern religions, individual philosophy and even the occult.

Further evidence can be found at the next social gathering you attend. After an introductory ritual, the question has changed from the 1940s, when people said "Who do you work for?" through the 50s and 60s where it was "What do you do?" In the 70s the question is "What do you do for fun?" or "What do you do for kicks?", or worse, "What's your sign?" From function to title, to astrology comes the emergence of the new individualism.

These three areas of change — work patterns, compensation, attitudes — all exist in a world of rising expectations. Shareholders want more profit, governments want more power, the media want more disclosure, the family wants more time and the community wants more involvement.

In building better jobs, we are avoiding position descriptions and moving toward objectives

We reach these conclusions:

• The structure of work is changing. People are diverting their efforts from productivity toward meaning.

• The compensation world is becoming flat.

• People want to live longer, without stress. No longer will they trade off their life for success. Successful men are no longer envied.

• Everyone wants more from the worker. The worker sees himself as he always has, as a loser. Unless this perception changes, we run the risk of him becoming a loser.

• Income compensation is becoming a function of government.

If you accept these conclusions, there come some alternatives. These may be ashes, but from them roses can grow. The roses can grow through *informal compensation* that offers intrinsic rewards — work with meaning. The roses can grow through harnessing team energy and building a sense of community in a work environment. Task definition, which traditionalists will regard as "ad hocracy" will overcome the weaknesses of bureaucracy and technocracy. Through this method work can be

compensated intangibly through the respect of peers and other participants.

We're starting to build better jobs. In building better jobs, we are avoiding position descriptions and moving toward objectives. We're playing basketball with fewer zone defences and more man-on-man systems. As the work force becomes more democratic, we will begin to informally exalt top producers. We may be approaching the Russians with their "stachanovite worker." Our society will not allow us to compensate our senior people as the Russians do, since the average Canadian president makes two-to-one in after-tax over his rank and file, whereas in Russia, the ratio is seven-to-one. We must come up with intrinsic reward systems. These reward systems can be achieved through permanent security as workers enjoy in Japan, or permanent insecurity harkening back to the days of the guild system, where everyone is fundamentally self-employed.

Who knows, the new rewards for top performance may be a tax break? Can this be a bleak picture? It seems there is a promise of an exciting, vital tomorrow through restructuring and re-orienting the work existence with intrinsic reward as its focus. We appear to be given little, if any choice, since extrinsic cash and income compensation is becoming so limited.

There is something that today's job candidates aren't telling you and me, but we know they want it and they'll get it. As the triangle form of the pyramid gives way to the barrel, we all know and work with the president. We share his concern and personal worries. His chair is not coveted; it no longer is the pinnacle of success and we thus have human difficulties, in

As the pyramid gives way to the barrel, we all know and work with the president

offering the compensations he receives, as a zenith of a working career. All of us in the barrel are the same.

Income compensation can at best hope to be fair. That means average. Society will not tolerate wide exceptions. However, life in new exciting work communities can be exceptional if we build jobs with intrinsic meaning. I believe it was Dostoyevsky who once said that the easiest way to destroy a man was to make his work meaningless. A few weeks ago, I heard from one of our prominent universities that the biggest source of occupational stress is not knowing where you stand in the boss's eyes. From literature and from science, comes the same answer: The challenge is to give meaning to work. Meaningful work will create a new style of leader who will succeed in transforming our organizations into vital public institutions worthy of our most dedicated and ablest Canadians.

It can be fun. Intrinsic reward meets all goals. We have seen this system work to develop powerful organizations that have earned the respect of many people within society. Whether we share their goals or not, certainly "Nader's Raiders" and the "Greenpeace Foundation" are examples of growing work environments existing almost without any form of extrinsic or income compensation. Personally, since I don't share either of their goals, I search for another analogy and conclude that perhaps such institutions which have outlasted governments and banks can show us the way. All forms of religious and military structures have limited or avoided income compensation and have lasted in the thousands of years. Perhaps in a strange and bizarre way they demonstrate the secret to survival for the modern corporation. The modern corporation, as we know it, is an infant compared to the maturity of military and religious structures. The modern corporation seems to search for commitment and meaning from its workers. We all get upset because we can't find it today. We should take a look at organizations which have lived on commitment and meaning for many centuries.

...There is a promise of an exciting, vital tomorrow through restructuring and re-orienting the work existence...

So many conferences and so many books on compensation have dealt only with the subject of income compensation, as we sought specialist knowledge. It was appropriate. However, in an era when one can almost foresee the minimum wage putting a person in the executive tax bracket of yesterday, that period is drawing to a close. I think income compensation will give us less to talk about 20 years from now. It concerns me because it means the end of an era that we all held dear. Today man in North America enjoys, perhaps as much as ever will be possible, a feeling of welfare. It brings about the end to economic man. The day of the dollar "carrot" is over. We seek new answers. lg

The foregoing was condensed from an address to the Third Canadian Compensation Conference, Toronto, 1977

Federal initiatives to improve the quality of working life in Canada

In the following article, John Munro, federal Minister of Labour, discusses his Department's Quality-of-Working-Life program, one of several initiatives being taken by the federal government to improve Canada's labour relations.

The quality of working life (QWL) is a relatively new theme in Canadian society. It is intended to reflect the attitudes and aspirations of a new generation of workers who are unwilling to spend one third of their adult lives as human cogs in inhuman machines. It recognizes workers as men and women who like to go to work, who like to do a good job, who care about productivity.

This is, in fact, a revolutionary approach to labour-management relations. It challenges the long-established principles and practices of scientific management. It's an idea whose time is long overdue — economic advantages of the application of scientific management to the production process have obscured for too long the human and social costs.

Assembly-line economics

That great father figure of economics, Adam Smith, was one of the first advocates of scientific management. He proposed, among other things, that the traditional method of pin-making be broken down into 18 specialized operations. Each step would be performed by unskilled workers on an assembly line. The jobs would be extremely simple. They would also be highly repetitive. But since the cost of pins would be reduced substantially, Smith was convinced that society would benefit from this "rationalization" of the production process.

That was in 1768. If Adam Smith were able to visit us today, although he might be discouraged at our rejection of some of his economic theories, he would likely be pleased by the adoption of his principles for mass production throughout industry.

The human problems of the machine-efficient society have been under continuous observation and analysis by industrial relations specialists since the end of World War II. Professional observers were concerned about the dehumanization of the job and the popular acceptance of this dehumanization as an unavoidable cost of production efficiency. Some observers have recently concluded that first, our failure to deal adequately with human needs and aspirations on the shop floor is counter-productive; and second, productivity and job satisfaction are interdependent.

The key to the new approach to the man-machine relationship is to restore — and increase — the participation of workers in production decisions. *Employers are discovering that workers have brains and hearts as well as hands and feet.*

Some of the earlier efforts toward this new approach were made by the Tavistock Institute for Human Relations in the United Kingdom. In the 1940s and early 1950s, the Tavistock Institute studied work methods in the British coal mines.

Eric Trist, one of the leading researchers in those studies, observed that traditionally, miners worked out their own job routines. They worked in pairs and did a short length of the coal face from start to finish. Each of them used all the skills that were necessary. They chose their teammates and supervised themselves almost entirely. They could add to a work gang in case of difficulties.

The introduction of elaborate machinery, however, eliminated that simple and effective pattern. New mechanical methods utilized groups of 40-50 men working in specialized jobs. The men were paid different wage rates. They were assigned to a regulated sequence of operations.

Supervision became a distinct role in itself. The new methods were aimed at optimizing the technical system, but they failed to optimize human skills and brain power. They failed to treat workers as people, but only as machine tenders.

The Tavistock workers then looked for groups of miners who had adapted to the new technological environment by creating their own social system. They found self-selected groups who took responsibility for allocating tasks and shifts. They set their own goals. They set their own schedules and deadlines. Each member of the group had the same basic pay and they divided bonuses equally.

The composite work group organized by the workers was found to have clear advantages over the work structure organized by the systems engineers. Job satisfaction was better. There was less frustration among the workers. Productivity was higher. Absenteeism and accident rates were lower.

Concept spreading

Quality-of-working-life experiments are widespread in Europe and are beginning to appear in the United States.

Many of us know about the Volvo automobile plant in Sweden that was built around semi-autonomous work groups. The objective of this new-style assembly line is to make the machine the servant, rather than the master, of the work force.

Quality-of-working-life experiments are also under way in several Canadian enterprises, and I hear about new ones planned or beginning almost every week. Canadian enterprises applying these concepts include airlines, mineral processing plants, pulp and paper plants, lumber mills, government agencies, grocery chains, manufacturing and oil refineries.

Successful quality-of-working-life experiments have been carried out, for example, at Steinberg's in Montreal, Alcan Aluminum Products at Kingston, and B.C. Forest Products Limited in MacKenzie, B.C. Three experiments have been undertaken in the Public Service of Canada — two in Statistics Canada, and one in the Department of National Revenue (Taxation). Experiments range from profit sharing to employee participation in decisions to change equipment and its use, and working conditions generally.

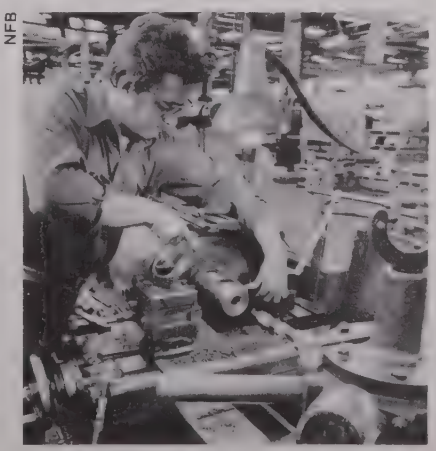
The principal objectives are to show concern for workers, and to balance the contributions of men and machines in the production process. *Under-utilization of human capability can be as expensive and unprofitable as the under-utilization of machines.*

Lack of concern for, and under-utilization of workers inevitably result in high turnover, absenteeism, excessive use of sick leave, high wastage, low quality production, and bad labour relations.

Rich settlements at the bargaining table are not an effective antidote to these problems. Money is at best only a partial substitute for a lousy work life.

Since I announced the government's intention to develop a national Quality of Working Life program, officers of my Department have examined similar initiatives in Britain, France, Sweden, Norway and the United States.

On the basis of this examination, I have asked the provincial departments of labour to join with my Department in the creation of a federally chartered, non-profit organization to promote and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Brains and hearts as well as hands and feet

Money is at best only a partial substitute for a lousy work life

encourage quality-of-working-life experiments throughout Canada. The federal government will contribute sufficient funds to staff a small Quality-of-Working-Life Centre and provide some financial support for its programs. The Centre will promote, facilitate and coordinate activities aimed at improving the quality of working life throughout Canada.

Ideally the Quality-of-Working-Life Centre would constitute but one dimension of a larger, multipartite relationship of governments, organized labour, business and other important institutional representatives of the community. I would expect the Centre to carry out its mandate under the direction of a multipartite council (it might be called "The Canadian Council on Quality of Working Life") which would include representatives of organized labour, the business community, the federal and provincial governments, and the academic community.

I am pleased to report that Professor Eric Trist, who has been

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Adam Smith would be pleased

a driving force in quality-of-working-life experiments in Britain, Europe and the United States for two decades, has agreed to act as a technical advisor to the Centre and to the Council when these are established.

Although the ultimate destiny of the Quality-of-Working-Life Centre will be in the hands of its Council, those in my Department now working on its development have concluded that it should have the following characteristics — and I share their views:

1. The Centre should be advisory rather than regulatory — participation in quality-of-working-life experiments by employers, unions and employees must be voluntary.

2. Quality of working life is based on the direct and voluntary co-operation of employees in the assessment and resolution of production problems on the shop floor.

3. Experiments should aim to achieve both increased job satisfaction and improved productivity.

4. Experiments should involve both organized and unorganized employers.

5. The Centre should co-operate with and support other institutions and organizations interested in quality of working life; for example, provincial governments, employer associations, unions and universities.

There may be a tendency for some people to pass off QWL as "just another fad." Why should governments in belt-tightening times promote and use the taxpayers' money to support yet another "cloud nine" proposition? I will try to explain why quality of working life seems to me a horse we should put our money on.

Strains in labour relations

For a variety of reasons we have been concerned for some time about the state of industrial relations in this country. Some of these reasons relate to the stresses and strains of the collective bargaining process (for example, the increased duration of negotiations, the increased use of third-party intervention, illegal strikes, and contract rejections by union members).

Other reasons relate to the attitudes and behaviour of individual workers with respect to their working conditions, such as absenteeism and turnover.

The changing expectations of workers during the last decade, as well as the new demands of the production processes in the enterprise, are major sources of labour-management problems. Many of these difficulties cannot be eliminated by legislation, or by improving the supply and qualifications of mediators. That is why I am committed to a program for improving the quality of working life. Not from without, but from within. Not from the top down, but from the bottom up.

It must be recognized that the establishment of such a program may create new problems. The traditional approach of organized labour for improving employer-employee relations is through collective bargaining. Management, too, has been concerned that such initiatives might challenge its traditional right to organize work.

I am convinced that the reservations of union officials and management can be overcome through direct involvement in quality-of-working-life experiments. QWL is not an alternative to collective bargaining. But it can complement the benefits which trade unions win for their members at the bargaining table.

Despite the natural concern of employers to control both the major dimensions of production processes, as well as the day-to-day details, many are beginning to recognize that workers have access to information and a capacity to develop solutions to production problems which are not available to supervisors and managers. They are also becoming aware that reliance on the master-servant relationship is abrasive and counter-productive in a society which is based on democratic values.

The quality-of-working-life approach to job satisfaction and improved productivity is not a panacea for the ills of industrial relations in Canada. It is an essential element toward curing those ills and an integral part of the 14-point program on which we embarked last fall. (LG, June, p.251)

Quality-of-working-life experiments reach out, touch and involve people. They bring workers and managers together. They demonstrate that corporations and management personnel are sensitive to the needs and aspirations of their employees, and that workers realize their stake in the economic success of their employers. I am convinced that employers who show this kind of concern for restoring the morale and dignity of workers, will give themselves productivity gains that cannot be secured from more sophisticated technology, gains that experiments show may often be beyond their wildest dreams. lg

John Munro
Minister
Labour Canada

The new work ethic

by Kenneth Taddeo and Gerald Lefebvre

A new work ethic is beginning to emerge in advanced industrial countries, gradually replacing the current work ethic whereby work, however distasteful, is simply accepted as a moral duty and an economic necessity. It is not a non-work ethic, but a new ethic concerned with the quality of working life.

Like other industrial societies, Canada has two options. The first is to retain and accept the monotony and dullness associated with the vast majority of jobs that must still be performed in the manufacturing and service sectors. The need to work is then accepted as a necessary evil that must be endured, efforts are made to shorten the time spent at work, and a scale of pay is sought that would enable the worker to find satisfaction elsewhere.

The second option is to redesign jobs and organizational forms so that the majority of employees, rather than the privileged few, can do work that is meaningful and fulfilling, while at the same time maintaining a high level of productivity.

No doubt, some mixture of both will continue, but that should not stop us from opting clearly for the second option. There is a limit to the extent that money and leisure can compensate for a negative working life. A sense of alienation has been steadily growing among the younger generation, whose experience and expectations are different from those of workers reared under conditions of scarcity, when economic rewards were paramount. Of course, some older workers continue to be willing to trade off dehumanizing work for good wages and employment security. They don't think they have a choice. The younger worker expects monetary rewards, but also seeks a satisfying job.

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The term "quality of worklife" (QWL) refers to the relationship between an individual and his or her total work environment. Attempts to improve it involve seeking alternative ways of organizing technology and the individual's relationship to it by changing the nature of the task. Projects to improve the quality of worklife are based on the premise that if employees, whatever their functions or levels, are given greater opportunity to determine the nature of their tasks — in terms of reorganizing their relationship to technology — the result can be higher productivity as well as improved quality of working life.

It was the work of the Tavistock Institute in London that initially led to the development of the notion that work organization should be regarded as a socio-technical system. This means that any production system requires both a technological system and a social system that are properly related to each other in order to produce results.

We need better recognition of the limitations of the adversary relationship

The technical system comprises the equipment and plant, with its particular characteristics and requirements and the way it is laid out. The social system is made up of people in the work situation, with their particular physical, psychological and cultural requirements and goals.

By designing and managing the work situation in such a way that the social and technical systems complement one another, one achieves joint optimization of these systems and an optimization of the functioning of the organization as a whole. Unless technology is translated into tasks that are in accordance with human needs and characteristics, how can we pretend to create organizations that will function at their maximum level of effectiveness?

The essence of the QWL approach centers around joint involvement, joint participation in developing solutions to problems of the work place, and the joint sharing of benefits by all those directly affected.

Who are the principle parties to be involved in improving the quality of worklife? Both unions and management must be involved in developing solutions to the problems of the work place.

This mutual responsibility and involvement are not possible when one party is regarded as an enemy and the other a friend of the employees, when the vocabulary is exclusively what can "we" get? What will "they" give? What is the minimum and what is the maximum? I am not suggesting that the adversary relationship is obsolete. Collective bargaining and other forms of conflict are quite useful whenever distributive issues arise. What we need is better recognition of the limitations of the adversary relationship, a more constructive resolution of conflict and greater importance accorded to the integrative issues. Currently we tend to see conflict as being almost always a lose-lose situation and overlook its win-win possibilities. The cake, however, must always be divided. Joint responsibility and joint problem solving are not possible without joint benefit.

Although many values or dimensions have been articulated in QWL projects, four values would appear to be essential to the success of any experiment — security, equity, individuation, and democracy.

Security at the work place implies the worker's need to be free from anxiety concerning his or her health and safety, income and future employment. A worker in fear of losing his income lacks the security necessary to develop fully his skills or ideas. The worker also needs to be secure about the future. Retirement benefits should be protected through immediate vesting and/or portability of these benefits so that they will not be lost if the worker were to change jobs. This has been a major thrust of unions until now.

Equity implies compensation according to the worker's contribution to the value of the service

Joint problem solving and joint responsibility are not possible without joint benefit

or product. Lack of equity — for example, large differences in income between managers and workers — or a lack of sharing of profits causes resentment and hostility. In practice, equity requires searching for fair methods of evaluating individual contributions.

Equity also includes the concept of profit sharing. Workers could be ensured contractually a specified percentage of the profits, to be divided among work groups according to the contribution of each group toward increased productivity. While this might be difficult to ascertain, once the principle has been accepted, many companies have developed equitable profit-sharing plans with excellent results on both the quality of worklife of the workers and the economic health of the organization.

The final element of equity is the concept of paying the worker not for a particular task but on the basis of skills and knowledge developed with respect to the jobs performed, paying the individual for what he or she knows and can do rather than for their specific job (in contrast to paying according to credentials). This idea makes sense particularly when other aspects of work are humanized, for example when work is structured around autonomous teams rather than hierarchies.

The health of individuals as well as society depends on putting into practice the principle of individuation in the work place.

Individuation can lead to a non-bureaucratic work environment in which workers are encouraged to develop themselves and learn as much as they wish about the organization as a whole. Individuation also involves bringing back the concept of craftmanship, which means that employees are permitted to develop a greater degree of autonomy in determining the rhythm of their work and in planning how it should be done. Thus work could stimulate the development of unique abilities, craftmanship and the capacity for continued learning.

The desire for craftmanship is deeply embedded in the human character. Recent studies of Canadian workers' attitudes have clearly revealed the desire that their jobs be more interesting, provide more autonomy, allow them to develop their abilities to the fullest. These factors concern them more after they have reached a certain level of income. These studies further indicate that workers have a sense of what is important to their mental health.

Democracy in the work place ranges from participatory management, where workers' views are heard and considered in decision making, to systems of worker control where worker authority and responsibility are institutionalized. The principle of democracy, like that of promoting the complete development of the individual, is opposed to making the worker into a passive object, part of a machine, or part of a hierarchy. Wherever feasible, why couldn't workers manage themselves? Authoritarian management control systems could be replaced by co-operative autonomous work groups.

It must be noted that many attempts at change have been based on the erroneous belief that certain symptoms have a single cause. This kind of thinking does

not take into account that individuals live in socio-technical systems in which all factors are related. Changing one dimension, without paying attention to the others may lead to results very different from the ones desired.

Some attempts at participative management have failed; some job redesign projects have not led to much improvement. We must ask ourselves: was there joint ownership? Was there concurrent work done on the above four dimensions? Was the joint payoff evident? If management is not prepared to share some control/power/responsibility/ benefit, then its call for participation and involvement is a cry in the desert. I do not think that these four values lend themselves to either legislation or to determination at the bargaining table, as other countries are attempting. Rather I believe these values must be implemented in the total work evironment through joint involvement of workers and managers and the union.

In many ways, jobs today are designed using methods that were developed at the beginning of the industrial revolution.

The current implicit criteria for designing jobs are:

- maximum specialization through the limitation of both the number of component tasks in a job and variations in tasks;
- maximum repetitiveness; and,
- minimum training time.

What follows are the characteristics of what has become the design of work.

1. The single-task job is the basic element into which an organization is engineered and broken down. An analyst studies these jobs and designs the "one best way" which a worker must then follow.

2. Man is simply an extension of the job. Another kind of "machine" useful only in performing those operations that a machine cannot do. He is not regarded as a complementary entity with distinctive human properties of which constructive use may be made. So far as these appear they are considered a nuisance.

Four values would appear to be essential to the success of any QWL experiment — security, equity, individuation, and democracy

3. Individuals and their single-task jobs are glued together by supervisors who supposedly absorb the uncertainties and variabilities that arise in the work situation. These supervisors need supervisors, and so on till the whole enterprise is organized in a multi-layered hierarchy of formal positions governed by somewhat authoritarian and bureaucratic roles.

4. The organization remains free to use any available "legal" social mechanisms to enforce compliance, including manipulation and coercion.

5. Job fractionalization is used to reduce the cost of carrying out work by reducing the skill contribution of the individuals who perform it. The more this process can be simplified, the more can unit cost be lowered. Other costs, more indirect, like turnover, absenteeism, boredom, alienation are not easily measureable or not considered.

The emerging theory of socio-technical job design rests largely on the premise that effective performance and genuine satisfaction in work follow mainly from the instrinsicly satisfying content of the job. The new practices of job design are concerned largely with designing the content of jobs so as to enhance the instrinsic rewards. These could be, for instance, feelings of achievement and worthwhile accomplishment. Secondly, jobs are designed to relate individuals to their immediate work environment.

Jobs today could be designed using these criteria:

1. The employee should have some opportunities to exercise responsibility and to control his own work.

2. The job should test the employee's valued abilities.

3. The employee should receive regular information about performance.

4. The separate operations workers carry out should be so integrated as to constitute a single overall task.

5. The work cycle should be of optimum length.

6. Some degree of variety of operations and tasks should exist within the job.

7. The job should provide opportunities for development and lead to an acceptable future.

8. The individual should experience some degree of social contact and support from others within the work situation.

These requirements are obviously not confined to any one level of employment. Nor is it possible to

meet these requirements in the same way in all work settings, or for all kinds of people. The crucial step in the socio-technical system analysis of an organization is the identification of the most appropriate socio-technical unit. The smallest one could be one man-one task or an autonomous group of persons engaged in various tasks.

Many of the quality-of-worklife projects reviewed indicate that new types of organizational structure, management methods and job content can be developed that lead to co-operation, commitment, learning and growth, ability to change, high work source satisfaction and improved performance. When responsible autonomy, adaptability, variety and participation are present, learning and behaviour that improves the organization and enhances the quality of working life for the individual will result.

One of the key factors is autonomy. This means that the content, structure and organization of jobs is such that individuals or groups performing those jobs can plan, regulate and control their own work. Autonomy implies for instance the need for individuals with multiple skills so that they can share an array of tasks. This could lead to self regulation, a radical notion in conventional organizations. Under the principle of self regulation only the critical interventions, desired outcomes, the organizational maintenance requirements need to be specified by those who manage, leaving the remainder to those who perform the task. Specifically, situations are provided in which individuals or groups accept responsibility for the cycle of activities required to complete the product or service. They establish the rate, quantity and quality of output. They organize the content and structure

The support and active co-operation of the unions must be sought

of their jobs, evaluate their own performance, participate in setting goals, and adjust conditions in response to the total work system.

Research carried out in European quality-of-worklife projects indicates that when the individual or group becomes largely autonomous, then meaningfulness, satisfaction and learning increase significantly, as do identification with the product, commitment to the desired action, and responsibility for outcomes. These findings support the development of a job structure that permits social interaction among jobholders and communication with peers and supervisors, particularly when continuity of operation is required. High performance in quality and quantity of products or services is thereby achieved.

It is clear that attempting to improve the quality of working life can pose problems for employers as well as the union. The employers are conscious that a process of this kind once begun is hard to control. But they may also reap a potentially high return. If the alternatives are reluctant employees, high turnover, and absenteeism, continued industrial strife, and organizational rigidities brought about by resistance to change, employers may hasten to embrace a policy that may not only avoid these problems, but bring about desired benefits.

Unions see the situation as even more hazardous, however, with much to lose and seemingly little to gain. Over many years, they have painfully earned the right to consultation and negotiation with management. The notions of democracy at the work place, the sharing of power and autonomous work groups involving the workers in decisions about their work can appear as devices designed to undermine their loyalty to the union. Yet the whole concept of enhancing the quality of working life is doomed if it is opposed by the unions or confined merely to non-union organizations.

The problem to be solved here is getting management and union to agree to collaborate on developing successful QWL projects.

The support and active co-operation of the unions must be sought, with the realization that they will not accept new proposals, however well founded, that seem to undermine their position as the workers' champions. Neither would the unions join in such attempts unless the gains are to be shared.

Success is not assured. It must be earned. Each QWL experiment is unique, pitfalls and risks are common — such as inadequate understanding by employees and union managers, planning that does not take into consideration the uniqueness of each work place, or suspicion, envy and outright fear of innovation and job loss. Crucial to success therefore, is not only a thorough understanding of the QWL process but the realization that the employees direct the actual experiment. It is theirs! Its concerns and directions are their decisions.

Those who work in this area know, and those who intend to do so will soon discover, that improving the quality of worklife is not another new fad or fashion but is in fact a direct confrontation with the complexities of organizational life. It is hard, demanding work. Let's proceed with caution. lg

Equality of opportunity for women in the federal public service

by Monica Townson

It is just a year and a half since the minister responsible for the status of women expressed publicly his dissatisfaction with the progress toward equality of opportunity in the federal public service. He gave his assurance that "within a reasonable period," the government would make sure that men and women are represented in all departments, occupational groups and levels in proportion to available numbers of qualified people of both sexes.

Looking at the latest report of the Public Service Commission, just released, gives the clear impression that the "reasonable period" referred to by the minister may extend well into the future. The concentration of women in certain occupational categories continues,

...the public service will have to try harder if it intends to meet the goals set by the minister responsible for the status of women

progress on salaries is much more dramatic for men than for women, and the way in which the report deals with equal opportunity for women leaves one with a slightly uneasy feeling.

There are some impressive-looking charts and tables in this year's PSC report, but on closer examination they do not give as much information on the position of women as was available in previous years. One chart, for example, shows huge percentage increases for women in the different occupational categories. But a reading of the fine print reveals that, unlike the other charts which show progress over the past year, this one compares 1976 with 1974. No explanation for this is given, but the commissioners feel obliged to point out that "the large percentage change for females in the senior executive category is misleading because of the small number of females in this category in 1974."

Monica Townson, an economist and former journalist, is vice-president of the Advisory Council on the Status of Women. She has spoken and written extensively on the subject of women in the labour force and women and money.

The administrative support category remains the most glaring example of a "job ghetto" within the federal public service. The percentage of women in this category has risen from 68.2 in 1972 to hit an all-time high of 78.8 last year. Clearly the public service will have to try harder if it intends to meet the goals set by the minister responsible for the status of women.

True equality of opportunity means that all jobs are open to all qualified persons regardless of sex. When men and women are not evenly distributed throughout all occupational categories, the implication is that they do not have equal access to all jobs. Just over 33 per cent of all public service employees in 1976 were women. This means that any job or department in which women constitute more than 33 per cent of employees can be considered a "job ghetto."

Over the past five years, the number of women in the administrative support category has risen by 30 per cent, while the number of men has fallen by 25 per cent. This is exactly the opposite of what should be happening if job segregation is to be eliminated.

There appears to have been no progress at all in employing more women in the scientific and professional occupational category. The percentage of women in this category has remained virtually unchanged for the past five years. But the public service does seem to have made

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Measurable goals and reasonable timetables required

some headway in appointments of women to jobs in the administrative and foreign service category. Almost 21 per cent of these jobs are now held by women, compared with just under 14 per cent in 1972, which is when the program of equal opportunities was initiated.

While this may be cause for congratulations, it must be pointed out that there are still only 10,500 women in the administrative and foreign service category, compared with over 59,000 in administrative support. More than 63 per cent of all women working in the public service last year were in that category. This is an improvement over 1975, when 65 per cent of female public servants were in administrative support, but clearly there is still a long way to go.

Over the past five years, the number of women in the administrative support category has risen by 30 per cent while the number of men has fallen by 25 per cent

PSC spokesmen reacted to criticism on this score earlier this year by expressing the opinion that participation in the public service will not change until women pursue careers in such areas as computer sciences and engineering. It may take a little more positive action on the part of the Public Service Commission if it is really serious about changing the situation.

There were only 1,800 men in computer systems administration, who were recorded on DATA stream last year, compared with 326 women. Incidentally, this was an increase of over 9 per cent in the number of women in computer systems who were registered on DATA stream.

It seems more likely that the key to removal of job ghettos would be more attention to affirmative action programs. But the term "affirmative action" is not used in the PSC report this year, even though various government departments have such programs. Labour Canada sums up the problem very neatly in the *Guidelines for Employers,* which were a joint effort with Manpower and Immigration and were released recently. "Concentration," say the guidelines, "may be defined as having more women in a job category or department than would be reasonably expected by their presence in the work force. Statistically, women are concentrated in clerical and non-skilled areas. If your analysis reveals significant underutilization of concentration, you should take remedial action through an Affirmative Action program."

But the Public Service Commission seems to have slightly mixed feelings about this. It admits that anglophone males are over-represented in the public service, "while females, francophones, native people and the handicapped" are under-represented. According to the commissioners, "there are two broad approaches that might help to rectify these imbalances."

There appears to have been no progress at all in employing more women in the scientific and professional occupational category

One approach would be "to attempt to ensure, for example, by quotas, that all elements of the Canadian population were represented proportionately throughout the Public Service." But the commissioners say that this approach would be undesirable and impractical, and they believe it would conflict with the merit principle on which public service

Distribution of women in the federal public service by job category

Category		Total	Women	Women as % of total
Executive	1975	1,186	21	1.8
	1976	1,268	30	2.4
Scientific and Professional	1975	23,444	5,759	24.6
	1976	24,623	5,956	24.2
Administrative and Foreign Service	1975	47,579	9,152	19.2
	1976	50,461	10,494	20.8
Technical	1975	25,866	2,516	9.7
	1976	26,830	2,678	10.0
Administrative Support	1975	74,574	58,109	77.9
	1976	75,143	59,208	78.8
Operational	1975	100,518	13,572	13.5
	1976	104,268	15,438	14.8
TOTAL	1975	273,167	89,129	32.6
	1976	283,169	94,013	33.2

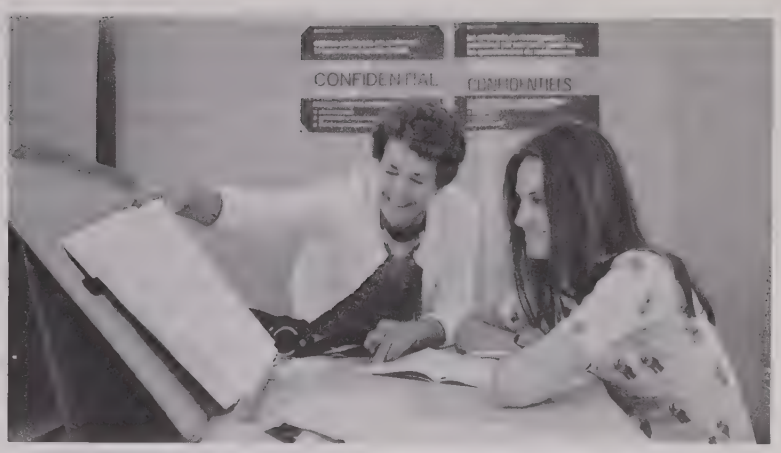
Source: Public Service Commission Annual Reports, 1975 & 1976

appointments are now made. The commission also says that this approach would "pose unanswerable questions." For example, how could it be decided which groups should be proportionately represented at which levels and where? The groups are not mutually exclusive, says the commission, and "the setting of quotas for a multiplicity of subgroups and sub-subgroups would be difficult and cumbersome, if not impossible."

...the key to removal of job ghettos would be more attention to affirmative action programs

Naturally, the more groups and subgroups that are included in any consideration of equal employment opportunity, the more confusion will be created, and it would seem that the PSC is already clouding the issue as far as its women employees are concerned by including them with francophones, native people and the handicapped. And the reference to quotas might be viewed in some quarters as "dirty pool." Not many people would want to see Canada go to the extremes of quotas and compliance officers as the United States has done. But as Labour Canada points out in its guidelines, "Any serious business program requires setting measurable goals and reasonable timetables for achieving goals. It is also useful to make a distinction between intermediary short-term goals that can usefully be met by immediate action, and long-term goals aimed at removing the effects of systematic past discrimination."

"Long-range goals should not be rigid and unchangeable," says Labour Canada. "They cannot be based upon exact predictable



Progress on salaries is much more dramatic for men than for women

statistics. Interim annual targets for female representation at each stage of the employment process should be established. The nature of those targets will depend both on internal and external factors such as anticipated expansion, expected turnover, availability of workers, skills required for jobs, and so on."

It is not clear if such targets have been set for the public service itself, but the commissioners come down in favour of "giving all Canadians equality of opportunity to compete for positions in the

...there is now a reasonably numerous population of qualified and available women from which future candidates for positions at all levels can be drawn

public service." The PSC says it will continue to work with departments and agencies "to remove institutional and attitudinal barriers to effective equality of opportunity and to continue special efforts among underrepresented groups to ensure *that they are aware of and can compete for positions in the Public Service."* (The words in italics would appear to be the significant ones.)

The commissioners note that "although women seem to be concentrated at the lower levels, one positive note emerges: there is now a reasonably numerous population of qualified and available women from which future candidates for positions at all levels can be drawn. It is pertinent to recall," says the commission, "that it was only as recently as 1955 that the requirement for female public servants to resign on marriage was removed." As they say in the media, "You've come a long way, baby!"

It is not clear what impact the government's austerity program has had on the position of women in the public service. As the commission itself points out, "career progress is slower...public servants have been forced to moderate their aspirations and adaptation is often painful." A drop in the number of appointments to the public service, according to the commission, has reduced its ability "to rectify the effects of previous inequalities of opportunity; the less recruiting, the fewer the opportunities for women, francophones, native people and the handicapped to join the public service." This

would seem to support the case for more intensive efforts to train and promote the women who are already in the service.

The Career Assignment Program, for example, which was one of the brighter spots in the public service in International Women's Year as far as women were concerned, slipped back again in 1976. Only 14 women (compared with 55 men) took part in the program last year, reducing the percentage of women participants to 20.3 compared with 30.6 the year before.

And if women had any aspirations in the area of salaries, they were probably disappointed last year. Male employees over the past few years have been able to achieve significantly greater improvements in pay scales than their female colleagues. In 1974, 46.4 per cent of men in the public service were earning less than $10,000 a year. By 1975, only 27.4 per cent of men were in the lowest salary brackets and by 1976, only 8.4 per cent of male employees were earning less than $10,000 a year.

Of course, allowance must be made for inflation in evaluating these trends. A salary of $10,000 in 1974 would be equivalent to a higher amount in 1976 dollars. But judging women on the same basis, we find that in 1975, while over 70 per cent of women in the public service earned less than $10,000 a year, almost 73 per cent of men earned more than $10,000. By 1976, almost 92 per cent of all male public service employees were making more than $10,000 a year, but 41 per cent of female employees were still earning less than $10,000.

The PSC said earlier this year that at the higher end of the scale, rather than look only at the small number of women appointed to the senior executive category, it was perhaps more realistic to see how many women were earning more than $30,000. In 1976, there were 168 women whose salaries came to more than $30,000 a year: there were 5,872 men whose annual salaries were more than $30,000.

Male employees over the past few years have been able to achieve significantly greater improvements in pay scales than their female colleagues

Publication of the Advisory Council's first study on women in the public service last year prompted the minister responsible for the status of women to say publicly "It is quite apparent that a more explicit and aggressive policy is required which will involve the active commitment of departments to accelerate the desegregation of the public service work force." Special measures were announced by the minister in October 1975 in support of equal employment opportunities for women, including an annual review of the progress achieved by each department.

If the federal public service feels it really has made progress in implementing this policy, it might be a good public relations move to issue a separate report on the matter so that its women employees can see exactly where they stand. lg

Affirmative Action

Affirmative Action, a program designed to improve and enhance employment opportunities for women in all areas of the work force, was announced jointly by labour minister John Munro and manpower and immigration minister Bud Cullen on May 10, 1977.

Affirmative Action originated in December 1975 during a federal-provincial conference on human rights and has been developed in close collaboration with the provinces and human rights agencies in order to secure co-operation among companies awarded federal contracts. There are more than 1,000 such contractors across Canada, and they will be provided with affirmative action guidelines and necessary consultative services.

The program involves a series of positive steps undertaken by employers to remove systemic barriers to employment and to achieve measurable improvements in hiring, training and promoting qualified workers who have in the past been denied access to certain jobs.

Further information about Affirmative Action may be obtained by writing: Rights in Employment, Labour Canada, Ottawa, Ont. K1A 0J2. lg

Close to 79 per cent of women in Canada work, and they make up 45 per cent of the labour force.

Pension indexing — a new perspective

by Leslie W.C.S. Barnes

During the course of the last year the debate on the indexing of pensions in general, and of public service pensions in particular, has declined into a series of strident monologues. It was as if the proponents of the various viewpoints were proclaiming their cases in entirely different languages. The resultant friction has caused heat to increase and light to fade. The overall effect, to say the least, has been unproductive.

The desire to reduce the essential factors in the controversy to a common language was one of the reasons that led an informal group, all of whom had backgrounds in either economics or public service staff relations, or both, to work together on an analysis of various aspects of the problem. The outcome was a detailed submission in April to the government's Pension Policy Review Task Force.

The document — by L.W.C.S. Barnes, R.B. Crozier and G.T. Jackson — dealt with a number of topics of specific concern to the public service, but the core of the study involved the basic question of pension indexing in both the public and the private sectors. It sought to explore the validity of the claim, advanced repeatedly by opponents of the concept that it is a philosophy which is bound to bring about the eventual destruction of the Canadian economy. (See LG, June '77, "The Great Pension Debate.") It soon became clear that one of the main causes of the breakdown in communications was indeed the significant differences in both the language and the technical tools

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of the actuaries, pension fund managers and insurance executives on the one hand, and the economists and industrial relations practitioners on the other.

"The actuary tends to see the dollar as a dollar whether expressed in today's prices or in the prices which will prevail 10 or 20 years into the future. Their calculations are based on predictable averages, mortality tables and probability patterns and make no allowance for inflation — and indeed they cannot for no one can predict the future rate of inflation. The economist tends to see the dollar as a unit of purchasing power. This dollar unit will only buy a basket of goods and services worth 49 cents in ten years' time if inflation continues at 7½ per cent a year — or only 24 cents in 20 years' time if inflation continues at this rate. In these circumstances, (to retire at 60 and live to 80 would not only be a remarkable achievement, but a very unpleasant one as well." (Submission to the Pension Policy Review Task Force Examining the Adequacy of Pension Arrangements in Canada.)

It was equally obvious that one of the root causes of the uproar over the indexing of public service pensions was that the private pension industry is under pressure from its constituents to do the same thing, and they maintain that they cannot afford it. Perhaps this is so. But does this mean that the country as a whole is unable to afford what would seem to be a very desirable social objective? The authors of the study concluded that "the actuarial discussion sheds no light on the underlying issue because it assumes that a dollar is a dollar whatever happens to prices." As they saw it, the need was for an economic analysis of the real resource transfers that take place during inflation and an estimate of the costs that would be involved if the federal government stood ready to index all pensions in both the public and the private sectors. With this in mind they set out to strip away, as far as possible, the often confusing veil of money.

Canada has about two million pensioners (about 9 per cent of the population) whose average income from combined government and private sources was less than $5,000 in 1976. The total pension payout was a little over $9 billion or about 4.9 per cent of the Gross National Product. It was made up of about $7.4 billion in federal and provincial payments (including such benefits as Old Age Security, Veterans' Allowances, Public Service Superannuation and Workmen's Compensation) and an estimated $1.7 billion paid out by various private pension plans. Inflation in 1976 ran at about 7.5 per cent, and so the cost of indexing all these pensions to preserve their purchasing power into 1977 would have been about $680 million, or some 0.4 per cent of the GNP. Looked at in another way, it would have cost less than a third of the current Family Allowance Payments.

From this base the study was carried forward to develop corresponding estimates for the year 2001. By this time the ratio of the retired sector of the population to the active work force will be rather higher than it is today but the cost of pensions is expected to still stand at only about 5.9 per cent of the GNP. This assumes that pensioners' real income will rise as rapidly as workers' real income. This is highly improbable, because even indexed pensions do not share in the productivity growth of the economy as does the pay of the working population. So 5.9 per cent of the GNP is probably too high an estimate.

The opponents of indexing have tended to mention the year 2031 as the date by which national bankruptcy will be inevitable if indexing is allowed to continue. The next step in the analysis was therefore to forecast the situation that might be expected in that particular year. Here the authors made assumptions weighted heavily in favour of the critics of indexing but, even so, the results indicated a tolerable burden on the economy. The first assumption was that the GNP in 2031 would be $368 billion (in 1976 constant dollars). That is only twice the figure for 1976 and it could be reached with a real annual growth rate of barely 1.5 per cent, compared with the average of 4.9 per cent which the Canadian economy has achieved since 1950. An old age dependency ratio double that of 1976, as predicted by the most vocal critics of indexing, was accepted for the calculations. The 1976 ratio of pensioners' real income to workers' real income (about 1:3) was assumed to remain effective in 2031. If this ratio were unlikely to be maintained in 2001 it would represent an even less substantial hope 30 years later. Even so, the cost of supporting the pensioners under these obviously unlikely conditions would be $41 billion, or about 11.1 per cent of the assumed GNP. In considering this figure it might be well to remember that during World War II nearly 50 per cent of a much smaller GNP was funneled into the war effort and still our society survived in a reasonable manner on the remainder. More realistic, but still conservative figures would be a GNP of $552 billion (in 1976 constant dollars) and a ratio of pensioners' real income to workers' real income of 1:5 (in fact it would decline to 1:9 if pensioners got none of the productivity increment). Under these conditions the cost of indexed pensions would be $36.9 billion, or 6.7 per cent of a GNP three times greater than that achieved by the Canadian economy in 1976. Hardly a recipe for national bankruptcy. The conclusions drawn from the study were summarized in a number of propositions which included the following:

- "The indexing of pensions will have to be extended into *both* the private and public sectors if the elderly in our society are to have any hope of a decent life in their retirement years.

- "Pensions should be regarded as an *entitlement* to a constant, fixed basket of goods and services — an entitlement which is not reduced over time simply because the pensioner's money income is denominated in dollars of diminishing value caused by an inflation over which he has no control, and for which he is no way responsible.

- "The cost of *full* indexing of *all* pensions in both the public and the private sectors is relatively modest and certainly affordable.

- "The indexing problem is not an actuarial problem and it has no actuarial solution. It is an economic problem which involves, through the action of inflation, the transfer of real physical resources from the elderly and retired members of the population to the young, active members of the population — resources which will never be recovered without the intervention of government.

- "Since it is the working population with rising incomes who gain from this shift in resources, and the retired population on fixed incomes who are the losers, the use of the tax system to transfer resources *back* to the pensioners is a perfectly equitable arrangement. The federal government should therefore stand ready to fill the indexing gap in *both* the private and public sectors. This commitment would cease automatically when inflation ceases to be a problem.

- "Private pension fund moneys should continue to form a basic pool of financial capital for the investment activities of the private sector, and should not become a captive source of funds for government. But the private pension industry will need to be regulated more closely, made much more responsive to the needs of the elderly in our society, and be required to collaborate with governments in closing the present glaring gaps in the protection which they afford their own constituents." lg

Federal aid for labour education

by Roy LaBerge

The Canada Department of Labour has launched a major program of support for labour education — one of the most important of the fourteen initiatives to improve industrial relations announced last Fall by labour minister John Munro (LG, June, p.251). Under an agreement, signed May 20 by Munro and Joe Morris, president of the Canadian Labour Congress, the government will provide $2 million a year for the next five years for CLC educational endeavours. Additional labour education grants — $600,000 for the first year alone — will be provided to unions not affiliated with the congress, to individual union members and to colleges and universities.

Munro considers an expanded and improved labour education and worker education program basic to most of the other initiatives and reforms of the fourteen-point program. "It is a prerequisite to any progress toward a more co-operative relationship between employers and workers, toward the development of industrial democracy in any form, and to the success of current efforts to devise a workable system of economic consultation," he said in a June 1 address to the annual convention of the Canadian Vocational Institute, at Mount Allison University in Sackville, N.B.

An upsurge in labour education activities is expected to result from the May 20 agreement. The CLC intends to open a national labour studies centre in Ottawa in July, and five regional centres across the country later. The Congress already spends 10 per cent of its budget on education, mostly for week-long and weekend schools, and is a major sponsor of the Labour College of Canada, which conducts an annual eight-week residential program in the social sciences for union members. Many CLC affiliates lend instructors to the CLC schools as well as conducting their own programs. The new centres will not only serve as "umbrella" organizations for union and some college and university programs, but will also promote research and the development of teaching resources.

Munro, in announcing the agreement, said it reflects a recognition of "the national importance of sound industrial relations, and of the unique contribution of Canadian union membership to the economic and social well being of the country. Substantial public funds are already available for the development of leadership in business and industry via post-secondary institutions across the country. Nothing comparable now exists for the union side."

In his Mount Allison address, Munro pointed out that formal education has made relatively little contribution to the career advancement of people who have reached leadership or senior technical positions in the union movement in this country: "The education provided by our institutions did virtually nothing to prepare them for their role as union members, or eventually as union officers or specialists. Nor did it give them a prior understanding of unions in our labour relations system, in the economy, in society as a whole.

"This neglect of trade union history and labour education is a serious weakness in a society that supports freedom of association and that recognizes trade unions as having an important role to play in determining the balance of economic power." It stood in marked contrast to the degree to which our colleges and universities "cater to the needs of industry and of the various professions. Schools of business administration flourish in most universities, as do schools of medicine and law."

As a result, unions have had to carry almost the entire burden of labour education within their limited resources. There are now about 3,200,000 union members in Canada, and their ranks continue to swell.

Moreover, the "growing tide of people entering the work force have no concept of what unions do and what responsibilities as well as benefits go with union membership," Munro pointed out. "The lack of basic labour education in schools cannot be compensated for in the little time available at union-sponsored meetings," he added. "Despite the best efforts of the labour movement, the vast majority of union members are ignorant of the history, functions, philosophy and objectives of trade unions."

To Munro, this is an unhealthy

situation, detrimental not only to organized labour as an institution but to all of Canadian society: "Unions are democratic organizations and, like democratic political systems, they depend for their well-being on an informed and involved electorate."

He offered two compelling reasons that Canadians should be concerned about the education of union members — the world-wide trend to industrial democracy and the current efforts to develop some form of tripartite economic consultation in Canada. Industrial democracy — the move toward some form of shared decision-making between employers and employees — would create a need for expanded educational opportunities for union members to enable them to "discharge those duties effectively." One of the preconditions for a successful tripartite system was the kind of educational programs that would predispose both union leaders and members "to a fundamental change in their attitudes and their perceptions of society."

"...neglect of...labour education is a serious weakness in a society that...recognizes trade unions as having an important role to play in determining the balance of economic powers"

Munro aptly described the problem of attitudes: "Decades of labour-management conflict have conditioned the trade unions to look upon the employer as an enemy, as someone to be distrusted. To them, tripartism is tantamount to fraternizing with the enemy. They are afraid it will lead to a betrayal of their interests. To overcome that suspicion, we will need education programs that are much more extensive in scope than any so far provided. Labour leaders, considering the national as well as their own interest, must carry their members with them. Otherwise the agreements reached with government and business will never be implemented at the level of the individual union and bargaining unit."

Morris and Munro: an upsurge in labour education activities is expected to result from the May 20 agreement.

The new initiatives are not, by any means, the department's first support for labour education. It has provided grants to the Labour College of Canada since its foundation in 1963, and has also been funding the Atlantic Region Labour Education Centre at St. Francis Xavier University for several years. The department has also been involved in planning and funding a national conference on labour education and has supplied grants to the CLC for a feasibility study of a labour studies centre.

Nor is it the only part of the fourteen-point program that deals with the education of workers. The department is gathering information about present practices regarding paid educational leave for employees in Canada and other countries, and about resources available for workers who have a right to such leave. A task force will study such questions as who should be eligible for paid educational leave, how it would be paid for, and what curricula would be acceptable.

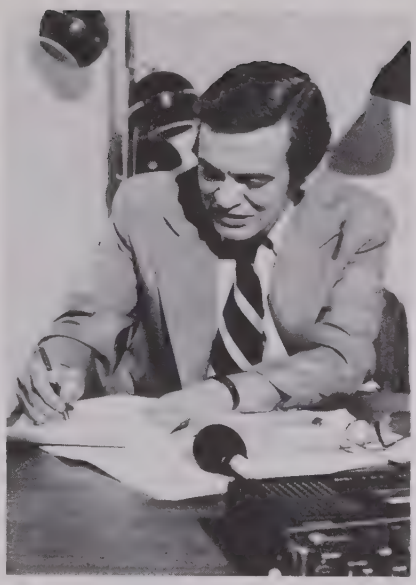
As expected, the CLC reacted positively to the new initiatives. Morris said he was happy to see Canada joining the ranks of "progressive-minded countries which have been assisting worker education in the recognition that only a system of permanent education can meet the demands of today's constantly changing society."

Morris noted that "Canadian workers, through their taxes, have contributed to the training of doctors, lawyers and other professionals. Yet these same workers

have often been unable to afford to send their own children to universities which are funded from the public purse, let alone take advantage of higher education opportunities for themselves. Government assistance for workers' education programs is long overdue."

An editorial in the Toronto daily, *The Globe and Mail*, criticized the agreement with the CLC, saying that if the federal government had money to contribute to education, "let it be turned over to educators. If the CLC is an educational body, so is the Canadian Manufacturers Association." The editorial also suggested the grant was a "grace and favour" payment to co-opt the labour movement. But a column by Ron Anderson in the same newspaper said the grant should be viewed from the perspective of its intent: to encourage union members to become better informed, to make the collective bargaining process function more smoothly and to help labour unions to participate more effectively in labour affairs.

"In many European countries," Anderson wrote, "the union movement has matured to the point where the unions, management and government can hold fruitful discussions on economic matters such as productivity, competitive strength, reasonable and fair wage guidelines, industrial rationalization and modernization and capital investment. They do not always reach agreement, but at least they are willing to talk in a rational and responsible manner. Canada has not yet reached this level of maturity in industrial relations. Possibly the CLC labour studies centre financed by government will help eventually to promote a healthier, less antagonistic environment for labour-management relations."



Munro signing agreement: basic to most of the other initiatives of Labour Canada's 14-point program

One of most telling indications of the near neglect of organized labour in post-secondary educational institutions appears in an incident Munro related in his address to the Canadian Vocational Institute:

"A trade union friend of mine tells about meeting a community college class not too long ago. He was asked to speak for a few minutes on the role of trade unions, then engage in a question-and-answer session. The first question came from a young woman who said she had taken a job as a cashier in a supermarket the previous summer to help pay her way through college. 'I was only a temporary employee, so why did I have to pay union dues?' she wanted to know. My friend pointed out she was earning more than twice the minimum wage as a result of a collective agreement between the employer and her trade union. The bargaining efforts of the union made no impression on the student. As she sat down, she still complained about being 'ripped off' by her trade union."

Trade union members who visit secondary schools, colleges and universities have come to expect to meet students who are grossly ignorant of industrial relations in general and the trade union movement in particular. That is why the unions have been operating their own educational programs, but they are far from adequate to meet the growing need. The federal government, in supporting union education directly through its new grants, is, as the *Globe and Mail* asks, turning money over to "educators" — a corps of hard-working union educators who have devoted weekends and weekdays alike through the years to fulfilling a task they feel most educators in publicly supported schools, colleges and universities have failed to accomplish. lg

Living Together: ECC study of regional disparities

by Ben Malkin

The Economic Council of Canada's provocative and challenging study of regional disparities, entitled *Living Together,* raises several disturbing questions:

How much is heavy regional unemployment in such areas as Quebec and the Atlantic provinces due to national policy, how much due to provincial government programs — or their lack?

How much could the unemployment situation in the most heavily-hit regions be improved if, for a time, they didn't raise their minimum wage levels?

On the same principle of trading jobs for lower wages, would there be an improvement in these regions if the federal government abandoned its policy of maintaining the same level of pay for its employees, across the country? Wouldn't it be better, from the employment viewpoint, if federal pay levels matched the pay in the private sector in any one region, instead of going ahead of it?

Stripped to essentials, the Economic Council's answer to the first question is that the provinces could do far more to reduce unemployment than they have done. Minimum wage levels shouldn't be reduced, but provinces with the worst unemployment rates should hold the line for a few years; higher employment could result. The federal government should consider changing its policy of equal pay for employees doing equal work, no matter where they live, and no matter the pay levels in the private sector in a given region. The result, again, could be a higher employment rate.

Ben Malkin, a former editorial writer for the Ottawa Citizen, *is now a freelance journalist*

The recommendations on wages go counter to the goals for which the public service unions have fought. Possibly anticipating trade union opposition, the council urges the trade union movement, as well as employers' associations, to make an exhaustive study of regional disparities. Meanwhile, the council gives these reasons for its position on minimum wage levels:

"It is important to try and maintain a realistic relationship between wage levels and current productivity levels, so as not to discourage demand for labour. Setting Canadian wages higher than productivity in relation to the United States can shift jobs away from Canada into the United States, unless it is possible to make compensating adjustments to the rate of exchange between Canadian and U.S. dollars. In exactly the same way, if the wages in a particular province are higher in relation to productivity than elsewhere, jobs can be shifted from that province into other provinces.

...the provinces could do far more to reduce unemployment than they have done

"One of the factors that helps govern the average level of wages in a province is the level of its minimum wage, as legislated by the provincial government.... A realistic approach to provincial full employment requires that minimum wages be appropriately geared to the average level of productivity within a province."

The council goes on to agree that "minimum wages may need to be reasonably high in relation to benefits attainable under social security programs, lest work incentives be harmfully affected." But it doesn't think that, if minimum levels were held, the number of people able to work but who would choose to live on welfare instead of wages is large enough to matter. At the same time, it points out that at the time its report was written, just a few months ago, minimum wages in three high-uemployment provinces — New Brunswick, Nova Scotia, and Quebec — were above those in Ontario and Alberta, with less unemployment.

Living Together suggests that in setting minimum wage levels, provincial governments with unemployment rates higher than the national average keep in mind minimum wage rates in provinces with jobless rates lower than the national average.

The council's second very controversial view on wage rates deals with federal pay policy. Again, for the council the goal is the removal of regional disparities in unemployment levels.

"Paying a national rate makes economic sense if it is needed to obtain qualified people but, if it is not, the practice is likely to create unnecessary unemployment in the lower-productivity provinces, for reasons analogous to those given in connection with minimum wages.

Minimum wages should be geared to the level of productivity

"Like the latter, federal wages can sometimes be taken as a standard of comparison for other wages, causing an upward drift in wage rates generally and reducing the demand for labour. The benefits of higher wages to the employed must then be weighed against the zero wages obtained by the unemployed. We would rather that the federal government stimulated employment by adopting the principle of paying what the private sector pays....

"Since the new policy, if adopted, would be a major break with present practice, it would not be unreasonable to take considerable time to bring it in, perhaps five years or more. Therefore, we recommend that the federal government very gradually move to a situation where the wages of its own employees in each province are more closely related to wages for comparable workers in the private sector."

This proposal is not only a "major break with present practice;" from the viewpoint of present practice, it's downright heresy. But if regional disparities, and the very high level of unemployment in some provinces compared with others, are a major concern of the trade union movement and of private employers' associations, these proposals are worth studying.

The council's concern, of course, is not only with disparities in unemployment rates, but also with income disparities in the private sector. It pleads for higher productivity as the main solution to both problems. Moreover, it finds that the provincial governments have a major role to play in improving productivity, especially through their education systems. The report says:

"Our research...suggests that provincial productivity, and so income disparities, could be reduced if means could be found to narrow further the chronic provincial disparities in educational attainment. That implies not only improving the qualifications of labour force entrants by lengthening the average number of years of formal schooling, but also finding means for adults already in the labour force to upgrade and expand their education."

As evidence to support its case for improved education, the council notes that Quebec and the Atlantic provinces had an average of slightly less than 10 years of education in 1970, compared with 11 in Alberta and British Columbia. It might be argued that more capital investment per worker would be just as effective in improving productivity. But the council points out that in Newfoundland, capital stock per worker in 1973 was close to $48,000, compared with $34,120 per worker in Ontario. Yet output per worker in Newfoundland was much lower.

Both unions and employers should study regional disparities

The result? Investment — and new jobs — tend to flow toward the areas of high productivity, when that productivity is compared with the wages received.

Take the example of carbonated beverages used by the council in its study. Production of carbonated beverages in Ontario is 56,000 gallons per worker per year; in Nova Scotia, it is 29,000, just over half. Unless a Nova Scotia worker is getting about half the pay of an Ontario worker, it would seem to pay a Nova Scotia carbonated beverages employer to move his whole operation to Ontario, where he could produce almost twice as many burps for his buck.

That puts the council's view of the relationship between productivity, wages, and employment pretty clearly.

Besides a stronger provincial role, through improved education systems, in raising productivity and, therefore, reducing unemployment and removing regional income disparities, the council proposes two more parts for the provinces to play. They could encourage the private sector to adapt better to new technology, and they could encourage the growth of their cities, up to a population of about 1.5 million.

The council isn't at all convinced that, in adopting new, more productive and efficient technology, businessmen know best what's needed, and should be left alone. Here is the second great heresy of the report.

The employment-income trade-off

"The greater part of the income differences among Canadian regions is made up of differences in the absolute levels of wages, salaries, and profits. While these disparities are unfortunate, paradoxically they may not be large enough. Although wages, salaries, and profits in certain regions may be low, they may nevertheless, because of poor productivity, lead to prices that are too high to permit an adequate degree of competitiveness, in national and international markets. This lack of competitiveness; by restricting the potential volume of sales, can limit output, reduce the number of jobs available, and generate high unemployment rates.

"Some would deny that there is a trade-off between high incomes and low unemployment rates. If they were right, it would make choices in regional development policies much easier. We believe, however, that the possibility that they may be wrong should be acknowledged. This is not to say that it is impossible to devise policies that would simultaneously reduce income and unemployment disparities. Indeed, programs that bring about improvements in educational levels or that provide assistance with migration within a region are examples of such policies. Any action of this kind should be vigorously pursued — subject, of course, to the proper consideration of other goals. Once this is done, there remains, in the opinion of many economists, the possibility that unemployment in a region can be reduced if the people who live there accept a lower income level or, conversely, that income levels can be raised if the region's residents accept an increase in unemployment. Our own view is that, if policy-makers should be faced with the uncomfortable choice of reducing either unemployment differences or income differences, they should opt for the former. This is simply a value judgment on our part, although we note that various levels of government are already committed to reducing unemployment. The social obligation to raise income levels is less clear." lg

From the ECC study *Living Together*

"There is much evidence," says the report, "from work done on the process of adopting innovations, that some firms within individual industries adapt later than others and do less well as a result. Businessmen cannot always infallibly detect their own best interests; there are firms who follow and firms who lead. Canadian evidence is not inconsistent with the view that, as a group, the firms in some industries in low-productivity provinces are followers, on average, rather than leaders."

The council proposes that provincial governments, co-operating where possible with private industry associations and trade unions, investigate "what is the best applicable technology in each provincial industry, including service industries, with a view to encouraging its adoption where it is not yet in use."

"Businessmen cannot always infallibly detect their own best interests"

As for larger cities, "until cities reach a population of about 1.5 million, urbanization exerts a beneficial influence on manufacturing productivity in Canada independently of a region's industrial structure....

Provinces should encourage the private sector to adapt better to new technology

"The present process of urbanization, whatever its merits or demerits from the social point of view, does appear to be desirable from the point of view of improving manufacturing productivity, with the benefit being especially marked in going from rural and semi-urban areas to towns of at least 5,000, but continuing thereafter until cities of 1.5 million or so are reached. For cities larger than this, further productivity benefits in manufacturing are not present; indeed, there is a slight decline."

For the no-growth advocates, this is a disheartening judgment. But if productivity is tied to jobs and incomes, and if urbanization (up to a point) improves productivity, bigger cities are an element in creating more and better-paying jobs. Coping with an occasional traffic jam is probably better than coping with an unemployment insurance or a social welfare cheque — for most people, anyway.

But urbanization is only one element in the council's program to remove or at least reduce, regional disparities. The report has to be seen and studied as a package. Moreover, the council admits that it may not have all the answers, and invites studies of the problem of regional disparities by other groups, including the trade unions. lg

Labour legislation in Canada, 1976

Part 4 — Occupational Safety and Health

(Employment standards, LG June p. 274 was Part 3 in the series.)

by Michel Gauvin

During 1976, various changes were made to occupational safety and health legislation across the country. Among these changes, four particularly important new Acts were passed — the Occupational Health and Safety Act in Alberta, the Workplace Safety and Health Act in Manitoba, the Occupational Safety Act in New Brunswick and the Employees' Health and Safety Act, 1976 in Ontario.

Effective December 1, 1976, **Alberta** enacted the *Occupational Health and Safety Act,* which brings the accident prevention branch of the Workers' Compensation Board within a special division of the Department of Labour.

Provisions have been made for the administration and enforcement of the Act and an "Occupational Health and Safety Council" has been established, consisting of a maximum of 12 persons appointed by the Lieutenant-Governor in Council. The duties of the Council are:

- to advise the Minister on matters concerning the Act and the regulations, and on matters concerning the health and safety of workers;

- to hear appeals in accordance with the Act;

- to perform any duties and functions assigned to it by the Minister with respect to the administration of the Act and the regulations.

Michel Gauvin is a legislation analyst with Labour Canada.

The new Act contains specifications regarding medical examinations of workers, the finding by a physician of an occupational disease designated by the regulations and the gathering of written information on substances used, stored or manufactured on a work site and also designated by regulations.

A major provision of the Act deals with the implementation of joint health and safety committees at work sites. The Minister may, by order, require that there be established at any work site a joint work site health and safety committee whose duties are described in the legislation.

The number of persons on a joint work site health and safety committee who represent the principal contractor and/or the employer(s), as the case may be, must not exceed the number of workers representatives on that committee.

No disciplinary action may be taken against a member of a joint work site health and safety committee by reason of that member performing duties and functions as a member of the committee.

The Act prohibits a worker to:

- carry out any work where there exists an imminent danger to the health or safety of that worker, or

- carry out any work that will cause to exist an imminent danger to the health or safety of that worker or another worker present at the work site, or

- operate any tool, appliance or equipment that will cause to exist an imminent danger to the health or safety of that worker or another worker present at the work site.

In the provision just described, "imminent danger" means, in relation to any occupation, a danger which is not normal for the occupation or a danger under which a person engaged in that occupation would not normally carry out his work.

No person may dismiss or take any other disciplinary action against a worker by reason of that worker acting in compliance with the Act, the regulations or an order given under the Act.

Seven sets of regulations which were formerly under the Workers' Compensation Act have been revised and issued under the Occupational Health and Safety Act.

The regulations are the:

- First Aid Regulations

• General Accident Prevention Regulations

• Safety Regulations Governing Grain Elevators, Grain Annexes, Flour Mills, Feed Mills, Seed Mills and Seed Cleaning Plants

• Lumbering Safety Regulations

• Petroleum and Natural Gas Safety Regulations

• Construction Safety Regulations

• Explosives Safety Regulations.

The Act prescribes severe penalties, including possible imprisonment, for any person who contravenes any provision of the Act or the regulations or fails to comply with an order made by the authority.

In **Manitoba,** the *Workplace Safety and Health Act* was assented to June 11, 1976. The new Act, which replaces the Employment Safety Act administered by the Workers' Compensation Board, will come into force on proclamation.

For the purpose of administering the Act, a new workplace safety and health division has been established within the Department of Labour.

The Lieutenant-Governor in Council is empowered under the Act to appoint an "Advisory Council on Workplace Safety and Health," which may advise or make recommendations to the Minister on any of the following matters:

• workplace safety and health generally, and the protection of workers in specific workplace situations;

• the appointment of consultants and advisors by the Minister; and

• any matter relating to workplace safety and health on which the Minister seeks the Council's opinion.

The Lieutenant-Governor in Council may also designate such individual workplaces or classes of workplaces in which the employer must establish a workplace safety and health committee.

The committee must consist of not less than four or more than twelve persons, of whom at least one-half must be persons representing workers other than workers connected with the management of the workplace. The workers' representatives must be appointed in accordance with the constitution of the union which is the certified bargaining agent or has acquired bargaining rights on behalf of those workers; or where there is no union, they must be elected by the workers they represent.

The duties of the workplace safety and health committee are enumerated in the Act.

In workplaces where safety and health committees are not required to be established, the Lieutenant-Governor in Council may designate such individual workplaces or classes of workplaces in which the employer must cause a worker not connected with the management of the workplace to be designated as the worker safety and health representative.

The worker safety and health representative must be appointed in accordance with the constitution of the union which is the certified bargaining agent or has acquired bargaining rights on behalf of the workers. If no such union exists, he must be elected by the workers he represents.

The worker representative must, in co-operation with a representative of the employer, perform the same duties as a workplace safety and health committee.

Where a worker in or about a workplace has reason to believe and does believe, that a condition exists that is dangerous to his safety or health in the performance of his work and he has reported that condition to his supervisor, foreman, chargehand or similar person, and he has examined the site with him, then, if the condition remains uncorrected, the worker must in writing report the condition to a safety and health officer.

A safety and health officer who has received such a report must forthwith make an examination and inquiry, and make such order as he deems necessary to remedy the condition.

No employer or any person acting on his behalf or any union may take discriminatory action against a worker for the reason that (1) he has made a report on dangerous conditions, or (2) he has refused to work or to continue to work under the conditions that he has reported and where a report of a safety and health officer indicates that the worker had reasonable and probable grounds for believing that those conditions were dangerous to his safety or health.

Where in a prosecution under the Act or in a proceeding before the Manitoba Labour Board, a worker establishes that he was subject to a discriminatory action and that he did conduct himself in a manner described in the previous paragraph, the onus is on the employer or union, as the case may be, to prove that the decision to take the discriminatory action was not in any way influenced by that conduct on the part of the worker.

Requirements have also been laid down regarding the obtaining of information in connection with the objects and purposes of the Act and provisions have been made dealing with medical examinations of workers and the establishment of an occupational health service for certain designated workplaces.

A person convicted of an offence under the Act or the regulations is liable to the fine prescribed in the legislation and may be imprisoned for a maximum term of six months.

New Brunswick has passed the *Occupational Safety Act,* which came into force on January 5, 1977. The new Act replaces the Industrial Safety Act and the Logging Camps Act and is administered by the Department of Labour and Manpower.

In the main, the Occupational Safety Act incorporates a revision of most of the provisions of the Industrial Safety Act, plus some additions.

There has been an increase in the minimum and the maximum of the fine that may be imposed on a person who contravenes or fails to comply with the Act or the regulations; such fine is applicable for each day the offence continues.

An Occupational Safety Code has been issued under the new Act replacing the former Industrial Safety Code. Among other things, the code stipulates that every employer with twenty or more employees must establish and enforce an approved safety policy requiring the establishment of a safety committee consisting of equal representation from both the employer and the employees. The duties and functions of such a committee are described in the new legislation.

Ontario has passed the *Employees' Health and Safety Act,* 1976. The Act, which is administered by the Ministry of Labour, came into force on December 16, 1976, except for a section dealing with occupational health and safety data that the Workmen's Compensation Board may be requested to furnish; this section will take effect on a date fixed by proclamation.

Under the legislation, where an employee in a workplace has reasonable cause to believe that a machine, device or thing is unsafe to use or operate because its use or operation is likely to endanger himself or another employee, or a place is unsafe for him to work in or the machine, device, thing or place is in contravention of The Industrial Safety Act, 1971, The Construction Safety Act, 1973 or Part IX of the Mining Act, or any regulations thereunder, as the case may be, he may refuse to use or operate the machine, device or thing, or work in the place.

An employee who makes such a refusal must immediately report the circumstances of the matter to his employer or the person having control and direction over him, who must forthwith investigate the report in the presence of the employee and, if there is such, in the presence of either a health and safety representative, a joint health and safety committee member who represents employees, or a person authorized by the trade union concerned.

Where the employer or the person having control and direction over the employee disputes the report or takes steps to make the machine, device, thing or place safe or comply with the appropriate legislation, as mentioned earlier, and the employee has reasonable cause to believe that the condition is still unsafe, he may continue to refuse to use or operate such machine, device or thing or work in such a place unless a collective agreement binding the employee expressly provides otherwise.

Where the employee continues to refuse to use or operate the machine, device or thing, or work in the place, or having returned to work in compliance with the express provisions of a collective agreement files a grievance concerning his right for such a refusal, the employer or person having control and direction over the employee must notify an inspector or an engineer appointed under the appropriate legislation, as the case may be, who must investigate the matter in the presence of the employer or the person having control and direction over the employee, the employee and, if there is such, either in the presence of a health and safety representative, a joint health and safety committee member who represents employees or a person authorized by the trade union concerned.

Following his investigation, the inspector or engineer must make a decision as to whether an unsafe condition exists.

The Minister may, by order in writing, require an employer to establish a joint health and safety committee or committees for a workplace or any part(s) thereof.

A joint health and safety committee must consist of such number of persons as the Minister may prescribe, of whom half must be employees who do not exercise managerial functions to be selected by the employees they are to represent or, by a trade union or trade unions when it or they represent such employees.

The functions and powers of the committee are described in the legislation and include the obtaining of information from the employer or other persons respecting (1) the identification of potential or existing hazards of materials, processes or equipment, and (2) health and safety experience and work practices and standards in the same or similar industries.

Other provisions of the Act deal with the power of the Minister to require the selection of one or more health and safety representatives from among the employees who do not exercise managerial functions.

An employer is required to permit a health and safety representative, if any, an employee authorized by a trade union or trade unions, if any, or where there is no trade union, an employee authorized by the employees to represent them, to accompany an inspector or engineer during his physical inspection of a workplace or any part(s) thereof.

Where there is no health and safety representative or authorized representative, the inspector or engineer must consult during his physical inspection, with a reasonable number of the employees concerning matters of health and safety at their work.

No employer or person acting on his behalf may:

- dismiss or threaten to dismiss an employee;
- discipline or suspend or threaten to discipline or suspend an employee;
- impose any penalty upon an employee; or
- intimidate or coerce an employee, because the employee has acted in compliance with the Act.

An employee who complains that an employer has contravened the provision just described, may either have the matter dealt with by final and binding settlement by arbitration under a collective agreement, if any, or file a complaint with the Ontario Labour Relations Board.

On an inquiry by the Board into such a complaint, the burden of proof that there was no contravention of the appropriate provision of the Act lies upon the employer or person acting on his behalf.

Every employer who (1) fails to comply with an order made under the provisions of the Act dealing with the establishment of a joint health and safety committee or committees or the selection of one or more health and safety representatives, or (2) contravenes a provision of the Act, is guilty of an offence and is liable, on summary conviction, to a maximum fine of $10,000 or to imprisonment for a term of not more than 12 months, or to both.

The administration of Part IX "Operation of Mines" of The Mining Act has been transferred from the Ministry of Natural Resources to the Ministry of Labour, except for a section of the Act dealing with statistical returns. Also, The Silicosis Act is now administered by the Ministry of Labour; formerly the Ministry of Health was the enforcing authority. lg

Back issues of *The Labour Gazette*

A recent inventory shows that we have on hand — free for the asking — a limited number of copies of the following issues of *The Labour Gazette*:

1975: October, November, December.

1976: March, April, May, June, July, August, September, October, November, December.

1977: January, February, March, April, May

Anyone wishing to receive any of the above may obtain them by writing to: Editor, *The Labour Gazette*, Canada Department of Labour, Ottawa K1A 0J2.

comment

A critique of industrial democracy at Supreme Aluminum

While the program of worker participation at Supreme Aluminum Limited has never been promoted as one of workers' control or self-management, it has serious problems even as a more limited form of participation. They suggest that there may be real limitations to workers' participation in any program that is initiated primarily by management in a non-union company.

The first problem relates to the actual power over decisions that is held by the worker-management council, called SAFER — the Supreme Association for Effective Results. Although management has retained absolute control over certain decisions (See Lush, LG June 1977, p.279), it has allowed for worker participation in many areas where it is not generally accepted elsewhere — for example in the assignment and transfer of employees to jobs, and in methods of production. The problem is in determining just what the role of the governing body is in making these decisions in the two kinds of issues in which it may participate — those specifically covered by the SAFER agreement and those not covered by the agreement but which, according to the agreement, are open to participative decision-making.

The issues covered specifically by the agreement are quite similar to those covered by a standard union-management collective agreement — grievance procedure, hours, job classification and wages, vacations, benefits, safety, employment opportunities, layoffs, and management rights. And the formal method of decision-making on these issues is also similar to that used in a standard union-management situation. At Supreme, the company has retained the formal right to accept or reject any terms of the agreement recommended to it by the governing body. For example, the company rejected the governing body's 1976 wage decision and reopened negotiations — which meant that the final decision was actually made through negotiations between senior management and the governing body chairman (who also happens to be the industrial relations manager).

The powers of the governing body are even less clear with respect to issues not covered by the agreement — for example, methods of production. The wording of the agreement in relation to these issues is so vague that in most cases the governing body, and the individual representatives, are guaranteed little more than some form of consultation. Although the governing body can theoretically share in decisions on job assignments and transfers, changes in the size of the workforce, and operating speeds and methods of production; in practice such decisions are usually made exclusively by management.

In most cases, the issues are brought before the governing body as well-prepared proposals by a management representative, and are usually accepted with, at most, minor modifications. In a smaller, but growing number of cases, a worker representative will raise an issue on which the governing body will make a recommendation to management. Management has accepted the governing body's recommendations in most cases. However it is possible for management to "sit on" a recommendation long enough for it to become ineffective or for concern over it to disappear.

The second problem at Supreme relates to the actual power the worker representatives have over decisions. Is it true that the non-supervisory employees can out-vote management on any issue?

For workers to be able to out-vote managers, they need to be able to assess the issues independently, to argue effectively for their position against management and to vote against management. However, many workers on the governing body are unable or unwilling to do these things.

Most of the workers have no experience in dealing with management-level information. Their lack of business expertise leaves them confused by the information management presents to them, which they frequently don't receive until the meeting. In their confusion, many workers simply defer to "management expertise" and support whatever position management proposes. Moreover, most of the workers have had little opportunity to develop their debating skills — particularly for use in a formal or semi-formal setting. Many are intimidated by the presence of their superiors and do not have the confidence to speak out. Half of the non-supervisory representatives on the present governing body virtually never participate in discussions.

And the fear of management's power to punish "troublemakers" means that many workers will not run for the governing body and that even some of the present representatives on it are hesitant to speak their minds freely.

The power of the worker representatives is further restricted by the fact that the position of chairman of the governing body is virtually inaccessible to a non-management person. This is important because the chairman has the authority to act alone on behalf of the governing body. He also plays a major part in determining what issues will be discussed at meetings. Even if a worker were able and willing to be chairman, he would have neither the time nor the facilities — for example, desk and telephone — to do so. Since no provisions have been made for modifying the regular work duties of the chairman, the position is effectively open only to people who are able to fit the duties of chairman into their regular job activities. Not surprisingly, for the past four years the chairman has been a management person from the industrial relations department — in fact, usually the industrial relations manager.

Finally, there is the question of just how extensive or meaningful participation is throughout the company. Many workers feel they have little real opportunity to participate in any decisions. They feel that the people on the governing body to not really represent them but merely make decisions according to their own personal opinions and interests. Both workers and managers want to be consulted more before decisions are made, and many people feel there should be a general ratification vote on the SAFER agreement.

At the most direct level of worker participation — the level of the job itself — the program at Supreme has had almost no effect. Most jobs are still designed according to the principles of scientific management. The nature of people's jobs and their control over their jobs have not been affected by the program.

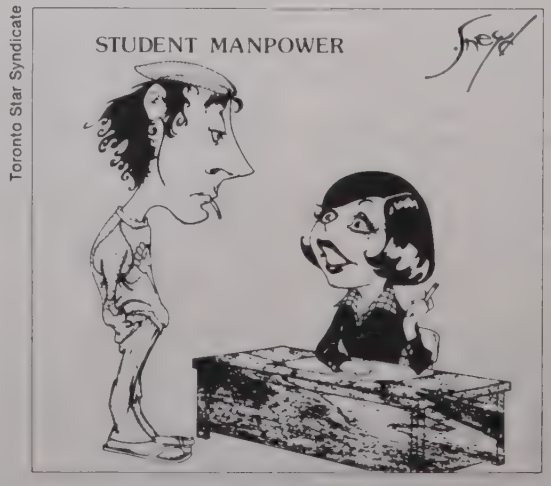
Finally, some comments are in order on the profit-sharing and employee share ownership plans. First, a significant portion of the annual profit sharing at Supreme is only equivalent to what many unionized companies in the metal-forming industry pay to their employees in the form of a company pension plan — often fully funded by the employer. Secondly, having part of its payments to labour tied to profits gives the company greater flexibility in handling its financial affairs. The advantage to the company is even greater at Supreme because the company alone decides what fraction of the profits is to be shared each year. As regards the share ownership plan, the really interesting figure is how much of the company is owned by the employees, excluding senior managers. I have not seen this figure given anywhere — it appears to be a well-guarded secret. (My estimate in 1976 was approximately 6 per cent.)

Despite the program's limitations, what is happening at Supreme is positive. Workers do have considerable influence over many important decisions, and there is potential for them to obtain even more control.

Nevertheless, unless we recognize the problems that exist in programs like that at Supreme, we may be misled in our pursuit of industrial democracy in Canada. Above all, we must be able to recognize and to avoid programs that are merely new forms of management manipulation, or which have none of the conditions necessary for successful participation. In such situations, the inevitable failure might well lead to disillusionment and hence to the unwarranted abandonment of the whole concept of workers' participation.

Jacquie Mansell
Toronto

Jacquie Mansell has been studying the situation at Supreme Aluminum in Scarborough, Ont., since December 1974 when she began research there as a graduate student.



"With your experience in organizing strikes, demonstrations and sit-ins, surely you could find a summer job with a trade union."

Books

Crisis in the Workplace: Occupational Disease and Injury:

A Report to the Ford Foundation.
by Nicholas A. Ashford,
MIT Press, Cambridge, Mass., 1976, 589 pp.

Crisis in the Workplace presents a comprehensive and incisive description of the nature and incidents of hazards in the workplace in the United States, and a first hand account of experience in Europe with occupational safety and health problems. More than half of the text deals with the U.S. Occupational Safety and Health Act (1970) and its implications.

It effectively draws to public attention the threats to the environment of the workplace.

Ashford suggests that some of the prevention and control methods used in Europe offer object lessons that could be used in the U.S. He notes the need for change in "society's concept of equity" — and a need for change in the "operating philosophy of the firm". These changes have occurred in Europe where concern for workers' health and safety has a much longer history than in the United States, and, labour and management have learned to operate in a co-operative rather than an adversary environment. Further, in Europe there is more consultation between government and management, inspectors are better qualified and the standard setting bodies have more status, resources and autonomy.

The author emphasizes that the issues of safety and health in the workplace cannot be divorced from other societal concerns. For example, he writes, "the growing debate over health care and preventive medicine cannot proceed far without encountering the probable occupational causation of a surprising proportion of disease. Problems of industrial productivity, work alienation and management-labour disputes relate increasingly to occupational health and safety. In addition, the monetary costs of job injury and disease are beginning to be more fully realized and deserve closer attention during a period of inflation and of material and energy shortages."

Identification and resolution of conflicts that interfere with attainment of the ideal environment are prerequisite to the implementation of effective preventive efforts. Based on insights that the study reveals, the author offers constructive, realistic action goals for government, labour, management and public interest groups to improve safety and health in the workplace.

The absence of Canadian content from this otherwise useful reference detracts from its practical value for Canadians having responsibility for providing a safe and healthful work environment. Nevertheless it cannot be read without realizing the sense of enormity and pervasiveness of workplace hazards. For this alone, the text deserves wide reading in Canada.

— H.M. Douglas

H.M. Douglas is Senior Co-ordinator, Loss Control at Imperial Oil Limited, Toronto

Essays in Canadian Working History

by **Gregory S. Kealy** and **Peter Warrian** eds., Toronto, McClelland and Stewart Ltd., 231 pp.

This collection of eight essays represents a growing recognition of the significance of the working class in the social and economic development of Canada, a recognition slow to mature in print but necessary. As the editors observe, these essays are an attempt to redefine "labour history" as "working class history," where the working class ceases to be merely a cog in the wheel in Canadian labour history but the wheel which set it in motion. Whether labour history should be equated in a vacuum to working class history remains questionable. Nevertheless, the editors' Marxist, social historical focus represents an illuminating and interesting break from the past where they knowledgeably note labour history was equated "to a category of political economy, a problem of industrial relations, a canon of saintly working class leaders, a chronicle of union locals, or a chronology of militant strike actions."

These essays study the period between 1850 and 1925 when

Canada experienced her Industrial Revolution. The editors divided this seventy-five year period into three revolutionary stages of working-class struggle and thus labour history. Aligned to their Marxist perspective, Warrian and Kealy view these stages alongside the entrenchment of industrial capitalism through the detailed control of the workplace by means of scientific management. The editors view the first stage as comprising the years from 1850 to the mid 90s. This stage they note "represents a transitional period in which workers learned the new rules of industrial society and created their own defensive institutions and the arrival of socialism as a political option." The third and final stage according to the editors begins in the mid 1920s, representing an overtly syndicalist and militant working class response" to the entrenchment of industrial capitalism.

Four of the essays are concerned with exploring the transitional period, 1850-1895. They are wide-ranging in subject, focusing on specific local topics such as the riots in Toronto inspired by the Orange Order, the Knights of Labour and the radical *Toronto News* in the 1880s, the relationship between literacy and job status, and housing in Hamilton from 1852 to 1881. The next two essays focus on the second stage of working class history, exploring the strengths and weaknesses of the old artisan culture when faced with the entrenchment of industrial capitalism. Finally the last two essays deal with the third stage centering on the early twentieth century labour struggles at Lakehead and Cape Breton. Specifically these essays deal with class conflict and the relation between ethnicity and violence.

The book offers penetrating insights on working conditions of the past. It exposes an unequal society of masters and men. Employee and public authorities, backed by the police and at times by the military, used their corporate power to control labour and oppose the formation of unions. In re-evaluating the essays, however, one is struck by the need for a great deal of further research on the conditions and struggles of working people. The essays are uneven, they vary greatly in depth, breadth and quality. They seem to be strung together within the cover of the book without any meaningful overarching knot. In other words, this book fails to present any synthesizing view of Canadian working class history. Furthermore the editors' Marxist orientation, leaves little room for alternative interpretation of labour history. Nevertheless this collection of essays represents an exhilarating sign of our times of change of work being done on largely neglected areas of our social past. Indeed, as stated earlier, whether working class history can be equated to labour history remains questionable, yet it is about time we recognized the role that ordinary working men and women play in shaping Canadian labour history. It is often the struggles and ideas of ordinary people that make history. This book at least offers a beginning; a sign of progress.

—Nancy Gibbs
Ottawa

Which Way Ahead? Canada After Wage and Price Control

Michael Walker, editor, Vancouver, The Fraser Institute, 1977, 333 pp.

Fifteen prominent Canadian economists discuss a range of issues relating to controls and decontrol. Their consensus: controls should be abandoned but a commission should be established to set wages in areas of the public sector that provide vital services.

Strikes and Lockouts in Canada 1974-75

This 227-page Labour Canada publication includes a comprehensive record of statistics of strikes and lockouts occurring during the 1974-75 period and lasting 10 or more man-days. As well as historical comparisons in several categories, it presents the 1974-75 statistics of stoppages by jurisdiction, month, contract status, number of workers involved and duration in man-days.

It also presents a list of larger stoppages — involving 100 or more workers — arranged by industry and commencement date, and naming the employers and unions involved, the commencement and termination dates, and the issues reported.

The publication was prepared by the department's Labour Organizations and Labour Disputes Division, with the co-operation of the Canada Manpower Centres and the provincial departments of labour.

OEB brochure

The Occupational Environment Branch of the B.C. Ministry of Labour has prepared an attractive brochure outlining the branch's functions and services. The services include on-site inspection of employee facilities, labelling of health hazards, investigating complaints and consultation for designers, builders, employers and employees. Copies of the brochure are available from any of the branch's regional offices.

Research Notes

Adult education

Learning Opportunities for Adults, O.E.C.D., Paris, 1977.

The main theme of this paper is that the provision of a well endowed, nation-wide adult education service has become an essential policy requirement in all modern societies — for social and economic, as well as cultural reasons.

The paper first examines the status of adult education, and highlights the gaps in existing national and local provision, emphasizing in particular the need for stimulating the interest of disadvantaged groups in educational programs. The main body of the paper is then devoted to an examination of the problems associated with the development of a comprehensive adult education system. Finally the report considers the policy options available to O.E.C.D. member countries, based upon an analysis of the existing relationships between adult education on the one hand, and the formal education system and the world of work on the other.

Industrial democracy: Germany

Workers' Participation in Management in West Germany: Impact on the Workers, the Enterprise and the Trade Union, R.J. Adams and C.H. Rummel, McMaster University, Faculty of Business Research Series No. 117, 1976.

The study sets out to provide a systematic critical review of the operation of the German system of worker's participation, with particular reference to the extent to which workers' interests have been protected and advanced, the effects on enterprise performance, and the impact on trade unions. The authors suggest that for most workers the benefits of participation have been substantial, particularly in the co-determination industries of coal and steel. However, women, foreign and unskilled workers, and workers in small firms appear to have been exceptions. The authors consider that there is no evidence to suggest that participation has impeded technological and organizational change. Indeed, they suggest that entrepreneural risk may actually have been reduced, and modern methods for the management of human resources initiated as a result of participation. As far as the status of unions is concerned, participation does not appear to have supplanted collective bargaining and has not in any sense made trade unions redundant. The author's conclude that while participation has not been a panacea it has nevertheless made a significant contribution to improving management-worker relations and reducing overt conflict.

Labour force

The Impact of Economy-wide Changes on the Labour Force: An Econometric Analysis, T. Siedule, N. Skoulas and K. Newton, Economic Council of Canada, 1977.

The study employs a modified version of the CANDIDE econometric model to provide detailed information on the reaction of various age and sex groups of the labour force to factors such as cyclical variations in the economy, changes in government expenditure policy, and the 1971 changes to the Unemployment Insurance (UI) Act. The analysis suggests that men aged over 25 and women over 45 have benefited in terms of increased employment opportunities as a result of fiscal stimulus to the economy, as well as from the changes in the UI Act. By contrast workers of both sexes aged 14-19, and women aged 20-24 and 25-44 experienced higher unemployment following the revisions to the Act. Similarly males aged 14-19 and females aged 20-24 and 45-64 appeared to be worse off in employment terms when government expenditure was increased. The authors observe that in both cases net increases in unemployment occurred because improved economic conditions encouraged more people in these age-sex groups to enter the labour market than could actually find jobs. Thus, while there was some increase in employment it was not sufficient to absorb the growth in participation rates. The authors also suggest that while labour force growth is likely to slow over the 1975-82 period, persons from these more volatile age-sex groups are likely to constitute an increasingly large proportion of the workforce. The study concludes by emphasizing the need for the development of a more adequate understanding of the structural characteristics of the unemployed labour force as a necessary adjunct to the development of government policy.

Low-wage workers

A Profile of Low-Wage Workers in British Columbia, C. Aykroyd and P. Stanton, B.C. Ministry of Labour, March 1977.

The report provides an analysis of B.C. low-wage data based on a survey carried out in 1975, and parallels similar surveys done in Alberta, Ontario and Quebec. Though the paper confines its attention to a simple description of the personal and labour market characteristics of low-wage workers, (defined as persons earning less than $4.00 per hour), and makes no attempt to provide theoretical explanations, it nevertheless provides a useful profile of the "secondary" labour force.

The main findings were that over two-thirds of those classified as low-wage earners were women, and over half were under 25. Slightly more than half of the low-wage registrants were single and over 80 per cent had no dependants. Over 80 per cent of the sample had some high school education or better, while a significant proportion had university or other advanced education. The report also notes that the high proportion of young low-paid workers may point to deficiencies in vocational or on-the-job training as important barriers to the transition from school to higher paying employment (c.f. Youth Unemployment, Research Notes). Recent immigrants to the province did not appear to hold a disproportionate number of low-wage positions.

Two thirds of the sample, and almost 80 per cent of low-wage women had clerical, sales or service occupations, while the industrial distribution indicated that two thirds of low-wage workers were found in service and trade sectors, with manufacturing and primary industry under-represented. Data limitations precluded an accurate analysis of the reasons for the observed high labour turnover amongst low-wage workers, however the report suggests that the bulk of job leaving was involuntary, contrary to the popular belief that low-wage workers do not have a high degree of attachment to the labour force.

Multinationals

Multinational Corporations and Industrial Relations: *the case of West Germany and the Netherlands,* G.B.J. Bowers and R.B. Peterson, British Journal of Industrial Relations, March 1977.

The paper presents the results of a comparative study of the impact of multinational corporations on the industrial relations systems of West Germany and the Netherlands. The authors suggest that the activities of multinationals have been constrained in both countries by economic forces and institutional factors, as well as by the existence of strong trade unions. In both countries, unions appear to have made significant progress toward international co-operation through consultation and the exchange of information; however, the authors conclude that serious obstacles still exist to the development of a fully co-ordinated international response to multinationals.

Strike activity

The Determination of Relative Strike Activity, R. Swidinsky, University of Guelph, Ontario, 1977.

A significant amount of research effort has been devoted to the analysis of relative strike frequency in both the U.S. and the U.K. As yet, little attempt has been made to extend this analysis to Canada, however. This paper seeks to remedy the situation by providing a systematic analysis of the determinants of relative strike frequency using inter-industry and inter-union data derived from a cross-section of 20 manufacturing and 16 non-manufacturing industries over the period 1968-1972. Attention is focused primarily on hypotheses relating to bargaining structure as indicated by the degree of fragmentation of collective bargaining, union size and organization, the prevailing "sociological" environment as proxied by the proportion of women in the industry's unionized labour force, and union-management relations as proxied by union density and the rate of change of union membership. Economic factors such as the degree of market concentration, firm size, type of payment system and the form of technology are largely ignored, a fact which must cast some doubt on the validity of the specified model.

The analysis is carried out in terms of four separate dimensions of strike activity, namely the number of strikes per union local, worker involvement as expressed by the ratio of workers involved to union membership, relative man-days lost per union member, and average strike duration. Judged according to normal statistical criteria the results obtained are not good. Only in the case of the regressions using annual average number of strikes per union local are the results at all convincing, suggesting that both fragmented bargaining and larger union locals are associated with increased strike frequency, while a high proportion of women in the unionized labour force is associated with a lower strike frequency. On the basis of these findings the author proceeds to a brief analysis of the implications

for Canadian industrial relations policy. Specifically, it is suggested that labour relations boards should be encouraged to give preference to the certification of smaller union locals while at the same time encouraging unions and employers to enlarge the size of the bargaining unit through the formation of multi-union and multi-employer associations. Neither policy prescription necessarily follows from the empirical evidence presented in the paper.

Youth unemployment

The Entry of Young People into Working Life, O.E.C.D., Paris, 1977.

Part I of the report sets out to investigate the problems associated with the integration of young people into working life. This is achieved via an analysis of recent trends in youth education, attitudes and aspirations, as well as an examination of how these factors have been related to the evolution of employment requirements. Major problem areas are considered to be the nature of the education and training provided by the school system, lack of adequate guidance and counselling about jobs, transitional problems and relatively rigid employment structures. Part I concludes with a series of proposals relating to both education and employment which call for a more explicit public responsibility toward all young people beyond school-leaving age in order to facilitate greater access to established jobs, and to create new bridges between school and work. The second part of the report reviews the various cyclical measures that have been adopted by governments to reduce youth unemployment, and tentative conclusions are drawn concerning their likely efficacy. In particular, attention is paid to the extent to which these measures accord with the requirements of long-term strategies for dealing with structural unemployment. It is concluded that their success depends very much upon the extent to which these measures respond to the expectations of both young people and employers. Finally it is argued that short term expedients such as unemployment payments or social programs are likely to provide complementary but essentially palliative remedies.

The foregoing notes were prepared by Labour Gazette *associate editor* ***Robert Davies.***

Additions to the Library

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating author, title and publisher.

Collective bargaining

Richardson, Reed C. *Collective bargaining by objectives: a positive approach.* Englewood Cliffs, N.J., Prentice-Hall, 1977. 387p.

A concrete text on how to apply Management by Objectives to collective bargaining. Covers collective bargaining history, theory, law, participants, the contract, negotiation process, grievances, grievance procedures and arbitration. A discussion of new developments in conflict resolution is included. Public sector bargaining is given equal treatment with the traditional private sector bargaining. Bargaining games are provided.

Discrimination in employment

Kranz, Harry. *The participatory democracy; women and minorities in a more representative public service.* Lexington, Mass., Lexington Books, 1976. 245p.

Smith, Arthur B., *Economic pressure in support of unlawful employment discrimination claims,* by Arthur B. Smith. Ithaca, N.Y., 1976. p.368-415. (Cornell University. New York State School of Industrial and Labor Relations. Reprint series no. 402)

Guaranteed annual income

Rossi, Peter Henry. *Reforming public welfare: a critique of the negative income tax experiment,* by Peter H. Rossi and Katharine C. Lyall. New York, Russell Sage Foundation, 1976. 197p.

The New Jersey-Pennsylvania Income Maintenance Experiment was designed to observe whether various income tax plans carried out over three years in four communities would lead to

reduced work effort on the part of those who received subsidies. This study evaluates the conduct of the field investigation and shows that the experiment is a considerable achievement in testing a specific social policy prior to enactment into law.

Jubilee for our times — a practical program for income equality, edited by Alvin L. Schorr. New York, Columbia University Press, 1977. 320p.

Suggests a comprehensive, pluralistic strategy designed to increase significantly the income of the poorest fifth of the U.S. population. Discusses in detail recommended steps to be taken in employment programs, federal taxation, social security, health programs and welfare to redistribute funds presently being spent in transfer programs.

Industrial democracy

Great Britain. Committee of Inquiry on Industrial Democracy. *Report.* London, H.M.S.O., 1977. 205p. (Great Britain. Parliament. Papers by command. Cmnd 6706) Chairman: Lord Bullock.

Industrial relations — Civil servants

Nesbitt, Murray B. *Labor relations in the federal government service.* Washington, Bureau of National Affairs, 1976. 545p.

Explores the origins and consequences of the new industrial relations program initiated by the U.S. federal government in the early 1960s which sought to provide federal employees with a greater opportunity to participate in the administration of their jobs. The four sections of the book deal with: the history of U.S. public employee unionism; the theoretical aspects of public sector labour relations; the basic clauses in federal contract negotiations; and the history of, and issues surrounding, public employee strikes.

Labour organization

Bain, George Sayers. *Union growth and the business cycle; an econometric analysis,* by George Sayers Bain and Farouk Elsheikh. Oxford, Eng., Basil Blackwell, 1976. 155p.

Attempts to assess the extent to which patterns of union growth can be related to the business cycle and, in particular, to such individual components of the cycle as the cost of living, unemployment and wages. Presents various existing econometric models of union growth, then proposes an alternative model which is free of the various weaknesses of those previously examined. Tests the general validity of the model's basic hypotheses by attempting to apply them to various countries.

Clegg, Hugh Armstrong. *Trade unionism under collective bargaining; a theory based on comparisons of six countries.* Oxford, Eng., Basil Blackwell, 1976. 121p.

Examines differences in the structure of collective bargaining in six countries in an attempt to show how such differences account for variations in union behaviour from one country to another. Differences in union membership, structure, government, workplace organization, strike patterns and attitudes to industrial democracy are studied as the result of collective bargaining differences among the six countries.

Dupont, Pierre. *Les syndicats en crise;* un dossier, par Pierre Dupont et Gisèle Tremblay. Montréal, Les éditions quinze, 1976. 152p.

Labour organization, international

Windmuller, John Phillip. *European regionalism; a new factor in international labour,* by John P. Windmuller. Ithaca, N.Y., 1976. p.36-48. (Cornell University. New York State School of Industrial and Labor Relations. Reprint series no. 403)

Labour statistics

International Labour Office. *International recommendations on labour statistics.* Geneva, 1976. 131p.

Maternity benefits

Canada. Advisory Council on the Status of Women. *Maternity leave and benefits:* a study of federal laws and recent amendments concerning job security for pregnant women and their entitlement to maternity benefits, prepared by Elsie Robindaine-Saumure. Ottawa, 1976. 47p. Titre en français: *Congés et prestations de maternité:* étude des lois fédérales et de leurs modifications récentes pour ce qui concerne la protection de l'emploi des femmes enceintes et leur accès à des prestations de maternité.

A discussion of the jurisdictional complexity of legislation dealing with maternity leave, and job security during this leave, and of recent amendments to relevant federal statutes.

Migrant labour

Grant, E. Kenneth. *The economic causes and effects of migration: Canada, 1965-71,* by E. Kenneth

Grant and John Vanderkamp. Ottawa, Economic Council of Canada, 1976. 124p. Titre en français: *Les causes et les effets économiques des migrations au Canada, 1965-71.*

Social indicators

Organization for Economic Co-operation and Development. Working Party on Social Indicators. *Measuring social well-being:* a progress report on the development of social indicators. Paris, OECD, 1976. 213p.

Unemployment

Jobs for Americans, edited by E. Ginzberg. Englewood Cliffs, N.J., Prentice-Hall, 1976. 210p.

Wage policies

Conference Board. *Compensating employees: lessons of the 1970s,* by David A. Weeks. New York, 1976. 73p.

Wages and hours

Shaffner, Richard. *The quest for farm income stability in Canada.* Montreal, C.D. Howe Research Institute, 1977. 27p. (C.D. Howe Research Institute. HRI observations no. 14)

PRICES, EMPLOYMENT, AND EARNINGS

Consumer, May

The all-items Consumer Price Index for Canada (1971 = 100) advanced 0.8 per cent to 159.2 in May from 157.9 in April, and was 7.6 per cent higher than in May a year ago. One half of this latest increase was due to a 1.4 per cent rise in the food index — the fifth successive month in which the index has registered a relatively sharp advance. The latest increase was mainly because of higher prices for beef products — up 4.6 per cent on average in the latest month — for fresh produce, coffee, sugar and butter. Lower prices for restaurant meals, resulting mainly from the introduction of higher sales tax exemption levels on meals in two provinces, partially offset these increases. The index for food consumed at home rose 1.7 per cent in the latest month.

Increased shelter charges for both owned and rented accommodation, as well as higher prices for furniture and other household items, were responsible for a large proportion of the 0.5 per cent rise in the index for all-items excluding food. Other contributing factors included widespread price increases for beer and liquor, barbering and hairdressing services, and garden supplies, and slightly higher prices for new automobiles.

In terms of goods and services the price level of goods, including food, increased by 1.0 per cent in the latest month, while that for services rose by 0.4 per cent. Seasonally adjusted, the all-items CPI advanced 0.6 per cent between April and May. This included a 1.1 per cent rise in the food index and a 0.5 per cent increase in the index for all-items excluding food.

Employment, May

The seasonally adjusted employment level in May was 9,749,000, an increase of 86,000 from April, Statistics Canada reported. The level for women 25 years of age and over increased by 50,000, and for women aged 15-24 by 6,000. Among men 25 years of age and over, and those aged 15-24, there were increases of 15,000. By province, the seasonally adjusted employment level increased in Newfoundland by 10,000; in Quebec by 17,000; in Ontario by 29,000; and in British Columbia by 27,000. It decreased in Alberta by 4,000, and showed little or no change in the remaining provinces.

Unemployment, May

The seasonally adjusted unemployment rate for May (841,000) decreased by 0.4 per cent to 7.9 per cent in May. It declined in all major age-sex groups — by 0.3 per cent to 14.5 per cent for men aged 15-24; by 0.5 per cent to 13.5 per cent for women aged 15-24; by 0.2 per cent to 5.0 per cent for men 25 years of age and over; and by 0.4 per cent to 7.0 per cent for women 25 years of age and over.

By province, the seasonally adjusted unemployment rate declined by 2.0 per cent to 14.7 per cent in Newfoundland; by 0.6 per cent to 10.6 per cent in Nova Scotia; by 0.8 per cent to 12.2 per cent in New Brunswick; by 0.1 per cent to 7.3 per cent in Ontario; by 0.6 per cent to 6.1 per cent in

Manitoba; by 0.1 per cent to 4.2 per cent in Alberta; and by 1.3 per cent to 7.8 per cent in British Columbia. The rate increased by 0.9 per cent to 10.6 per cent in Prince Edward Island; by 0.2 per cent to 10.0 per cent in Quebec; and by 0.2 per cent to 5.7 per cent in Saskatchewan.

Earnings, March

Average weekly earnings in Canadian industry were $243.44 in March, an increase of 9.8 per cent from $221.76 a year ago. Compared with March 1976, average hourly earnings increased 12.4 per cent in construction, 11.3 per cent in manufacturing and 9.0 per cent in mining.

General minimum rates for experienced adult workers

Jurisdiction	Rates per hour
Federal	$2.90 effective April 1, 1976
Alberta	$3.00 effective March 1, 1977
British Columbia	$3.00 effective June 1, 1976
Manitoba	$2.95 effective September 1, 1976
New Brunswick	$2.80 effective November 1, 1976
Newfoundland	$2.50 effective January 1, 1976
Nova Scotia	$2.75 effective January 1, 1977
Ontario	$2.65 effective March 15, 1976
Prince Edward Island	$2.50 effective July 1, 1976 $2.70 effective July 1, 1977
Québec	$3.15 effective July 1, 1977
Saskatchewan	$3.00 effective January 1, 1977
Northwest Territories	$3.00 effective June 7, 1976
Yukon Territory*	$3.00 effective April 1, 1976

*Federal rate plus 10 cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective date
Federal	Employees under 17: $2.65	April 1, 1976
Alberta	Employees under 18: $2.85	March 1, 1977
	Students under 18 employed part-time: $2.50	March 1, 1977
British Columbia	Employees 17 and under: $2.60	June 1, 1976
Manitoba	Employees under 18: $2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years $2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: $2.15	March 15, 1976
Prince Edward Island	Employees under 18: $2.20 $2.35	July 1, 1976 July 1, 1977
Québec	Employees under 18: $2.95	July 1, 1977
Northwest Territories	Employees under 17: $2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and Yukon Territory have no special rates for young workers or students.

labour statistics

Principal Items	Date	Amount	Percentage change from Previous Month	Percentage change from Previous Year
TOTAL CIVILIAN LABOUR FORCE*		(unadjusted figures, in thousands)		
Week ended April 16, 1977		10,340	+ 0.4	+ 2.5
Employed	April 1977	9,425	+ 0.8	+ 1.2
Agriculture	" "	471	+ 9.2	+ 5.6
Non-agriculture	" "	8,974	+ 0.3	+ 1.2
Paid workers	" "	9,297	+ 0.19	+ 10.6
At work 35 hours or more	" "	5,625	+ 17.7	+ 68.6
At work less than 35 hours	" "	3,286	+ 67.5	+ 40.1
Employed but not at work	" "	514	- 7.7	+ 6.6
		(change in thousands)		
Unemployed	April 1977	914	- 30	+ 145
Newfoundland	" "	35	+ 2	+ 7
Nova Scotia	" "	41	- 2	+ 8
Prince Edward Island	" "	7	- 1	+ 1
New Brunswick	" "	38	- 3	+ 5
Quebec	" "	287	- 12	+ 49
Ontario	" "	300	- 12	+ 51
Manitoba	" "	31	- 1	+ 11
Saskatchewan	" "	25	- 1	+ 8
Alberta	" "	41	- 6	+ 6
British Columbia	" "	109	+ 3	- 1
Without work, seeking work and available for work	" "	807	- 42	+ 137
		percentage change		
INDUSTRIAL EMPLOYMENT (1961 = 100)[r]	January 1977	140.0	- 2.0	+ 0.8
Manufacturing employment (1961 = 100)[r]	" "	123.5	- 0.9	- 0.5
IMMIGRATION	Calendar year 1976	149,429	—	- 20
Destined to the labour force	" " "	61,461	—	- 24
STRIKES AND LOCKOUTS ‡				
Strikes and lockouts	March 1977	127	+ 19.8	- 19.2
No. of workers involved	" "	23,153	+ 24.4	- 86.6
Duration in man days	" "	198,240	- 0.7	- 54.2
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.)[r]	January 1977	239.34	+ 2.3	+ 10.3
Average hourly earnings (mfg.)[r]	" "	6.11	+ 1.5	+ 12.7
Average weekly hours paid (mfg.)[r]	" "	38.5	+ 0.8	- 0.5
Consumer price index (1971 = 100)	April 1977	157.9	+ 0.6	+ 7.6
Index numbers of weekly wages in 1961 dollars (1961 = 100)[r]	January 1977	152.7	+ 0.5	+ 5.2
INDUSTRIAL PRODUCTION‡				
Total (average 1971 = 100)	March 1977	122.4	- 0.1	+ 3.1
Manufacturing	" "	121.2	+ 0.4	+ 2.0
Durables	" "	123.4	+ 1.5	+ 2.4
Non-durables	" "	119.1	- 0.6	+ 1.6
NEW RESIDENTIAL CONSTRUCTION**				
Starts	March 1977	9,616	—	- 24
Completions	" "	14,509	—	- 54
Under construction	" "	157,628	—	+ 6

*Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001
†Advance data
‡Preliminary
**Centres of 10,000 population or more
[r] Revised

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The tables cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union direct ly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

TIME PERSPECTIVE ON WORK STOPPAGES, MARCH 1977

Period	Number beginning during month	Work stoppages in existence during month or year			Per cent of estimated working time
		Number	Workers involved	Duration in man-days	
Year					
1971	547	569	239,631	2,866,590	0.16
1972	556	598	706,474	7,753,530	0.43
1973	677	724	348,470	5,776,080	0.30
1974	1,173	1,218	580,912	9,221,890	0.46
1975	1,103	1,171	506,443	10,908,810	0.53
1976*	913	1,030	1,582,631	10,624,130	0.50
1976*					
March	83	157	172,608	432,270	0.23
April	75	153	303,957	669,470	0.38
May	96	168	265,912	653,010	0.38
June	125	233	187,524	1,131,820	0.59
July	69	183	78,020	1,271,320	0.68
August	78	193	89,791	942,950	0.50
September	54	175	136,027	1,738,990	0.97
October	49	155	904,953	1,646,500	0.92
November	39	129	51,260	491,380	0.26
December	37	120	45,352	258,990	0.14
1977*					
January	40	95	26,820	201,700	0.12
February	39	106	18,605	199,440	0.12
March	63	127	23,153	198,240	0.10
January-March 1977		197		599,380	0.11
January-March 1976		290		1,819,700	0.35

*Preliminary

WORK STOPPAGES BY INDUSTRY, MARCH 1977(Preliminary)

Industry	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to March)
		Number	Workers involved	Duration in man-days	
Agriculture	0	0	0	0	0
Forestry	0	1	231	5,310	6,470
Fishing	0	0	0	0	20,300
Mines	3	6	1,184	7,010	56,290
Manufacturing	21	55	10,324	112,280	330,300
Construction	5	10	2,205	18,550	25,500
Transp. & Utilities	11	16	3,305	9,470	24,250
Trade	3	11	384	5,620	16,830
Finance	2	3	270	1,270	3,320
Service	11	17	3,958	37,010	111,270
Public Admin.	7	8	1,292	1,720	4,850
Various industries	0	0	0	0	0
TOTAL	63	127	23,153	198,240	599,380

WORK STOPPAGES BY JURISDICTION, MARCH 1977 (Preliminary)

Jurisdiction	Number beginning during month	Work stoppages in existence during month			Cumulative duration in man-days (Jan. to March)
		Number	Workers involved	Duration in man-days	
Nfld.	1	4	1,731	18,230	77,330
P.E.I.	0	0	0	0	0
N.S.	1	3	109	150	370
N.B.	5	5	1,533	2,570	2,970
Québec	18	49	9,783	107,540	299,390
Ontario	18	36	3,495	40,070	141,970
Manitoba	0	1	145	3,340	12,010
Saskatchewan	7	7	1,051	1,680	5,030
Alberta	1	3	154	2,770	14,430
B.C.	2	5	1,907	3,500	13,300
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	53	113	19,908	179,850	566,800
Federal Public Service(1)	6	6	1,065	1,590	1,590
Federal Industries(2)	4	8	2,180	16,800	30,990
Federal total	10	14	3,245	18,390	32,580
TOTAL	63	127	23,153	198,240	599,380

(1) Covered under the Public Service Staff Relations Act.
(2) Covered under the Canada Labour Code: Part V.

NOTE: Numbers relate only to workers directly involved in the dispute.